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THE NATURE OF AMERICAN DIPLOMACY AND COMMERCE
ON THE CHINA COAST
1784-1900

A THESIS
SUBMITTED TO THE FACULTY OF GRADUATE STUDIES
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by

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The undersigned certify that they have read and recommend to the Faculty of Graduate Studies for acceptance, a thesis entitled "The Nature of American Diplomacy and Commerce on the China Coast, 1784-1900," submitted by Chen-kuan Chuang, in partial fulfilment of the requirements for the degree of Master of Arts.

ABSTRACT

In a survey of the "permanent bases" of American foreign policy, Mr. John W. Davis listed six doctrines which, as he said, "seem to have run with reasonable persistence throughout the course of American diplomacy."¹ According to him, these are the doctrine of isolation, the Monroe doctrine, the doctrine of non-intervention, the freedom of the seas, the pacific settlement of disputes, and the open door.

One frequently meets with the assumption that "the open door policy" is the only American policy toward China; that it was invented by John Hay and first applied in 1899. In fact, the open door policy is as old as American relations with Asia, and the spirit of this policy is as old as the Declaration of Independence. It was pronounced in China as early as 1842, under the term of most-favored-nation treatment. The American principle of the freedom of trade in China, which now goes under the name of the "open door", has been regarded as the basis of American policy toward China for nearly one and a half centuries. In order to understand the beginning and development of the course of American policy toward China, I shall attempt in this thesis to discuss rather fully the economic motives and forces underlying the origination, expansion, change and influence of the American trade on the China coast in relation to American policy toward China before the turn of the twentieth century.

This discussion is based largely upon historical facts and statistical data now available from both Chinese and American sources. It does not deal with events since the beginning of the twentieth century. This study is undertaken as a forerunner to a study of their relations during the early twentieth century.

¹T.W. Davis, "The Permanent Bases of American Foreign Policy", Foreign Affairs, 10:1 (October 1931).

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Chen-kuan Chuang

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CHAPTER I

INTRODUCTION

A. THE DIVISIONS OF THE TOTAL PERIOD (1784-1900)

The history of American diplomacy and trade on the China coast before the turn of this century naturally divides itself into three periods. The first period (1784-1844) is one of non-treaty or informal intercourse, beginning in 1784, when the first American vessel, the Empress of China, arrived at Canton, to 1844, when the first American commercial commissioner, Mr. Caleb Cushing, signed with the Chinese authorities at Wanghia the first Sino-American treaty. During this period enterprising American seamen played a very active part in China's foreign trade, second in importance to that of no other country. Within this period there are two well marked divisions. The first (1784-1814) includes the opening of the trade and its first years; the sudden expansion of commerce caused by the European wars and the discovery of new sources of furs, sandal wood, etc., and closes with the commercial stagnation of the second American-British War; the second (1815-1844) begins with the conclusion of peace in 1814, between the United States and Great Britain, includes the outbreak of the opium trouble and the first British-Chinese War, and ends with the Treaty of Wanghia, the first Chinese-American treaty, in 1844.

The second period begins in the year immediately after the conclusion of the first Sino-American treaty when formal relations between the two countries began, and ends with the Sino-Japanese War in 1895. This year is chosen as a dividing

line between this second and the third period because before 1895 the Americans encountered less competition from the European powers and Japan in the Chinese market. This period also falls into two divisions with the American Civil War as their demarcation. In the first division, although the original generation of the American pioneer traders in China had disappeared, the Oriental trade was being actively carried on by American business men, most of whom were the sons and relatives of the men who founded the trade. Both American commerce and tonnage increased rapidly during this time. But owing to the rapid decline of the American marine during the Civil War and the rapid internal development after that event, American brain and capital, were in the second division, more and more absorbed into domestic enterprises. The China trade was no longer an El Dorado.

The third period begins with the close of the Sino-Japanese War in 1895 and ends about 1900. It was a period of disturbances and severe competition which marked the beginning of an entirely new phase of American's trade relations with China. The treaty of Shimoneseiki (April 17, 1895) and the treaty of Commerce (July 21, 1896) between China and Japan rapidly changed the political situation in the Far East. The European powers, including Great Britain, Russia, France and Germany, took advantage of this opportunity to expand their political and commercial influence in China. Japan also exerted her entire energy to put by her products into the Chinese market. Occupations and leaseholds within Chinese territory became very common, and "spheres of influence" were established. It was during this period, when competition for Chinese trade was the

severest, that the United States became a great power in the Pacific after the annexation of the Hawaiian Islands, and the occupation of the Philippines. Her determination to protect her subjects' interests in China led to the reiteration of the principle of the freedom of trade, the open door policy of 1899. Since 1900, therefore, we have entered into a new era in the relations between China and the United States.

B. INFLUENCES ON AMERICAN TRADE WITH CHINA

1. Early Indirect Trade

American commercial intercourse with China resulted from several influences reaching back over an extensive period. It may be said that at the very discovery of the New World a connection had existed with the Chinese Celestial Empire, for it was to find Cathay and the Indies that Christopher Columbus sailed westward. Later on, American traders in the English colonies, before the Revolution, had indirect commercial contact with China through the East India Company. By way of Great Britain, the Company's ships imported Chinese tea from Canton into the ports along the eastern coast of North America. Since 1718, ginseng, the medicinal root which formed a large part of the cargoes of the first ships bound for China, had been known to be native to North America, and it is probable that the Company had shipped some to China.² These early activities naturally led the way to later direct trade.

²William Speer, The Oldest and the Newest Empire: China and the United States (Hartford, 1870), p. 140.

2. American Shipping

The development of shipping in the colonies was another influence leading to American trade with China. Many of the American ports, such as Boston, Salem, Providence, Philadelphia, New York, and Baltimore and a few Connecticut towns, were distinguished for their shipowners and for their excellent vessels. Before the Revolution, the Atlantic fisheries and the West Indies trade had raised a hardy race of American ships. Vessels bearing letters of Marque from the English colonies swarmed the seas. Large fortunes were accumulated, a surplus of shipping was built, and a knowledge of distant seas was acquired. It was natural that these enterprising seamen should seek other outlets for their adventurous spirit and energy.

3. The Loss of West Indies Trade

The loss of the commercial relations with the West Indies after the Revolution was another influence. Before Independence the eastern coast of North America had, of course, been a part of the British Colonial system. The West Indies trade had been an important means of support to the Northern Colonies. The latter had sent their lumber and provisions to the West Indies, had received in payment credit on England and with this credit had secured the necessary English manufactures and supplies.³ But Independence, by excluding Americans from the British colonial system, made it necessary for them to look elsewhere to invest their capital. As Phineas Bond wrote at the time:

³E.R. Johnson, History of Domestic and Foreign Commerce of the United States (Washington, D.C., 1915), I, 32-33, 93, 99, 129, 157.

"In the restricted state of American trade it is natural for men of enterprise to engage in such speculations as are open to them, and which afford a prospect of profit."⁴

4. The Independence of the United States

The United States of America became one of the sovereign nations of the world with the signing of the Treaty of Paris in 1783. By the terms of the treaty the territorial extent of the United States was limited on the West by the Mississippi River. Actually, most of the region west of the Appalachian Mountains was still largely unsettled territory, and nearly all of the population, less than four million,⁵ was concentrated along the Atlantic seaboard. When the United States acquired its independence the economy was largely agrarian. Most people were engaged in agriculture and depended on Europe, principally England, for manufactured goods. For the most part, the industrial activities of the American people were the same as they had been throughout the eighteenth century. In New England, the fisheries were second only to agriculture. Throughout all the colonies many people devoted all or a part of their time to lumbering or securing other forest products. Ship-building was a relatively important industry in the northern colonies.⁶

⁴Letter to Lord Carmathen, July 2, 1787. "Letters of Phineas Bond," British Consul at Philadelphia, to the Foreign Office of Great Britain, 1787, 1788, 1789, edited by the Historical Manuscripts Committee of the American Historical Association, in Annual Report of American Historical Association for 1896, I:540.

⁵Johnson, II, 4. The first census of the United States, taken in 1790, showed that there were 3,921,326 people in the country.

⁶Johnson, I, 5.

At this time all was confusion at home:

"the Congress established under the Articles of Confederation was trying in vain to bring some order out of the chaos resulting from the rivalries and jealousies of thirteen independent governments; industry, trade, and farming were almost at a standstill; depreciated currency was bringing its train both wild extravagance and bitter poverty." ⁷

Yet out of this turmoil and disunity the American marine was born. In searching for new routes and ports of call, the New Englanders were motivated by the hard reality that independence from England and disassociation from her Empire had closed to them the old trade routes and markets on which they had formerly prospered.⁸ But Independence and withdrawal from the colonial system, while shutting the door on the lucrative **British West Indies**, had opened that of Asia and the Pacific. China was the first one to lure the American merchants.

5. John Ledyard's Prophet

As we have noted above, Americans prior to the Revolutionary war had actually known China through association with the tea which the British had shipped to Boston or which had been smuggled from Holland. Early American interest in the possibilities of the trade with China was further stimulated by John Ledyard of Connecticut.⁹ He had accompanied Captain James Cook in 1776 on the latter's last and most famous expedition to the Pacific. During this voyage he and Cook visited the Nootka

⁷F.R. Dulles, The Old China Trade (Boston, 1930), p. 1.

⁸Johnson, II, 7, 12.

⁹J. Sparks, The Life of John Ledyard (Cambridge, 1828), p.175ff; J.K. Munford, ed. John Ledyard's Journal of Captain Cook's Last Voyage (Oregon, 1963), pp. 197-201, 233-235.

Sound area in 1778, and thereby became acquainted with the fur resources of the Northwest Coast. Ledyard was probably the first American who visualized the possibility of a lucrative triangular trade involving New York, the Northwest Coast and China.¹⁰ He envisaged the profitable exchange of cheap ironware and other inexpensive items for the valuable furs of the Northwest Coast, which in turn would exchange at a handsome profit for Chinese teas and silks.

"The limitless possibilities of (such a trade) had been impressed upon him when he had seen fur skins, purchased on the Northwest coast of America for a sixpence, and sold in Canton for \$100."¹¹

Although his plan of the triangular trade was not fulfilled until 1790, it was as a result of the interest he aroused that Salem and Boston began to agitate the matter.¹²

6. The Harriet

In 1783 there was an attempt, the first main effort, to initiate direct trade with the Chinese Empire. A Boston sloop of fifty-five tons, the Harriet, sailed in December with ginseng for China.¹³ She met some British India Company's ships when she arrived at the Cape of Good Hope. They became "alarmed at this portent of Yankee competition", and "bought her cargo for double its weight in Hyson tea."¹⁴

¹⁰Bernard de Voto, The Course of Empire (Boston, 1952), p. 293.

¹¹Tyler Dennett, Americans in Eastern Asia (N.Y., 1941), p. 5.

¹²J.B. Felt, Annals of Salem, 2 vols (Salem, 1845-9), II, 285, 291.

¹³H.A. Hill, "The Trade and Commerce of Boston, 1630 to 1890," in J. Winsor, Memorial History of Boston (Boston, 1881), IV, 203.

¹⁴S.E. Morison, The Maritime History of Massachusetts (Boston, 1930), p. 44.

The captain of the Harriet made a good bargain, but lost the honor of being a founder of the direct Sino-American trade.

C. THE VOYAGE OF THE EMPRESS OF CHINA

The ship which had the honor of hoisting the first American ensign in China waters was the Empress of China. In November, 1783, Robert Morris of Philadelphia wrote to John Jay,

"I am sending some ships to China in order to encourage others in the adventurous pursuits of commerce."¹⁵

It was George Washington's birthday, February 22, 1784, that the Empress of China fitted out by Robert Morris and Daniel Parker and Company of New York, sailed for Canton under the command of Captain John Green. Samuel Shaw was chosen for supercargo, charged with the mercantile business of the voyage and protection of the owners' interests. The Empress of China carried 437 piculs¹⁶ or about 30 tons of ginseng. Other articles included 2600 fur skins, 1270 camelets, 316 piculs of cotton, 476 piculs of lead, and 26 piculs of pepper. The cargo of this pioneering vessel was carefully selected to meet the demands of the Canton market. The total investment in the voyage was \$120,000.

The Empress of China rounded the Cape of Good Hope and reached Macao, where all foreign ships had to obtain permission from the Chinese Government officials to proceed upriver to Canton. After a voyage of 13,000 miles and almost half a year

¹⁵ November 27, 1783, The Correspondence and Public Papers of John Jay, ed, H.P. Johnson (N.Y., 1891), III, 97;
W.G. Summer, The Financier and Finances of the American Revolution, 2 vols (N.Y., 1892), II, 162.

¹⁶ A picul was the Chinese 'hundred weight', generally equal to 133 1/3 lb. avoirdupois (16 oz.).

the first American vessel arrived at the Canton anchorage, Whampoa, on August 22. Officers from the Dutch, English, French, and Danish vessels in port boarded the newcomer to welcome the Americans. Thus Americans joined the growing list of foreign traders to China.

CHAPTER II

FROM THE BEGINNING OF DIRECT TRADE TO THE TREATY OF WANGHIA

A. 1784-1814

1. The Opening of Direct Trade

August 28, 1784, the date of the arrival of the epoch-making vessel, the Empress of China, at Canton marked the formal beginning of the Sino-American relations. After a little trouble the Chinese learned to distinguish the Americans from the English,

"The Chinese," says Shaw in his journals, "were indulgent toward us.... They styled us the New people; and when by the map we conveyed to them an idea of the extent of our country with its present and increasing population, they were highly pleased at the prospect of so considerable a market for the product of theirs."

He concluded:

"To every lover of his country, as well as to those more immediately concerned in commerce, it must be pleasing reflection that a communication is thus happily opened between us and the eastern extreme of the globe."¹⁷

With the assistance of more experienced traders, especially the French, the Americans threaded their way safely through the unaccustomed maze of the Canton trade regulations, disposing of their cargoes and merchandize to advantage. Samuel Shaw had succeeded in trading his cargo for 3,000 piculs of Hyson and Bohea tea, 962 piculs of chinaware, 24 piculs of nankeens and 490 pieces of silks. The returning voyage of the Empress of China ended on May 10, 1785, when she, after touching at the Cape of Good Hope, arrived safely in New York. The net profit of the

¹⁷Samuel Shaw, Journals, ed. with Memoir, Josiah Quincy (Boston, 1847), p. 135, "Report to Secretary Jay". (Hereafter cited as Shaw's Journals).

voyage was estimated at \$30,727 or about 25 per cent of the original investment.¹⁸ The monopoly heretofore enjoyed by the British East Company in supplying America with tea had been broken. Americans needed no longer to pay for such goods to the British.

The news of Samuel Shaw's successful voyage created much interest and added incentive to the plans which were already projected. Shaw reported the result of his voyage to John Jay, the United States Secretary of Foreign Affairs, and received soon afterward by order of Congress a reply from Jay, telling of that body's "peculiar satisfaction in the successful issue of this first effort of the citizens of America to establish a direct trade with China."¹⁹ In Boston, plans were soon under way for building and fitting out a ship for another voyage.²⁰ Steward Deane, an old privateersman, after consulting with Captain Green of the Empress of China, sailed for Canton in a small sloop of eighty-four tons.²¹

a. The Establishment of an American Consul at Canton

Samuel Shaw went again from New York in February 1786, as supercargo of the ship Hope, under the command of James Magree,

¹⁸Shaw's Journals, p. 135. Another summary of the voyage in J.A. Stevens, Progress of New York in a Century, 1776-1786 (N.Y., 1876), p. 45.

¹⁹Shaw's Journals, Appendix, p. 337, includes Shaw's letter (May 19, 1785) and Jay's reply (June 23, 1785).

²⁰Hill, p. 81.

²¹T. Pitkin, A Statistical View of the Commerce of the United States of America (New Haven, 1835), p. 245.

carrying with him a commission from Congress of the United States appointing him consul at Canton.²² This office was an empty honor,

"neither salary nor perquisites are annexed to it," wrote John Jay, "yet so distinguished a mark of the confidence and esteem of the United States will naturally give you a degree of weight and respectability which the highest personal merit cannot very soon obtain for a stranger in a foreign land."²³

The occupant was merely hoisting a flag of the United States, doing a little routine business, and was looked upon by the Chinese as a head of the merchants. There was no attempt to open diplomatic relations with the Chinese Government. Shaw's consular rank was designed merely to establish his status among the other foreign merchants in Canton. However, it was the first Consulate of the United States of America beyond the Cape of Good Hope and was the only one in China until after 1844.²⁴

b. Pioneer Ships

In June, 1787, the Alliance, under the command of Thomas Reid, was sent out from Philadelphia by Robert Morris with a cargo said to have been worth half a million dollars. She was not furnished with any charts on board, but made her voyage to China solely with the assistance of a general map of the ocean, and never let go an anchor from the time she left her home town until

²²Shaw's Journals, p. 150.

²³Secret Journals of Congress, III, 605, cited by J.W. Foster, American Diplomacy in the Orient (Boston, 1904), p. 27.

²⁴Shaw's Journals, pp. 218-222. Shaw held the office until 1794. His successors were Samuel Snow (Quincy's Memoir, p. 125), Edward Carrington, B.C. Wilcocks, Richard K. Thompson, John H. Grosvenor, P.W. Snow, Paul S. Forbes. Despatches From U.S. Consuls at Canton, 1790-1906 (Washington, 1947), passim. There were frequent gaps, often of years, when the office was occupied by a vice consul or consular agent. (Hereafter cited as Despatches).

she reached Canton. She returned on September 19, 1788, just in time to save Robert Morris ~~from~~ bankruptcy.²⁵ Providence too was caught by the China fever; John Brown's ship, the General Washington, under Captain Dannison, sailed to Canton on December 27, 1787. She reached her home town on July 4, 1789. Although the venture was not as profitable as that of other ships, it was the beginning of a series of voyages from Providence which continued for many years.²⁶

By the year 1790, the American trade at Canton thus started had gradually become firmly established. Merely running over the names of the ships engaged in this trade which have come down to us gives us some idea of its extent. They were: the Asia and the Canton, whose voyages were not very successful;²⁷ the Jenny and the brig Eleonora, both of New York, at Canton in 1788; the Massachusetts of Boston, the largest ship built up to that time in America;²⁸ and the Astrea of Salem, the Columbia, the Light Horse, the Atlantic, the brig Three Sisters, and the brigantine Hancock.²⁹

²⁵Summer, II, 227. He quotes for his authority a letter of one of the English agents in the United States to Lord Dorchester, 1788.

²⁶W.B. Weeden, "Early Oriental Commerce in Providence", Massachusetts Historical Society Proceedings, 3rd. Series, I: 236-240 (Boston, 1906); Shaw's Journals, p. 318.

²⁷Shaw's Journals, pp. 295-296.

²⁸A. Delano, Narratives of Voyages and Travels in the Northern and Southern Hemispheres (Boston, 1818), pp. 21-25.

²⁹Morison, p. 47.

c. Ports Engaged In The Early Trade

Boston, Salem, Providence, a few Connecticut towns, New York, Philadelphia and Baltimore were the principal ports along the American eastern coast which engaged in this early trade. The men who initially financed these voyages were generally of modest means, but the substantial profits which could be made enabled many of them to accumulate small fortunes, which were later channeled into the industrial development of America. The seamen who participated in the early trade differed substantially from their British counterparts, who were generally recruited from the slums of the cities and were in general a bad lot. The American seamen, however, were more orderly and intelligent, and from good New England stock, and usually took to the sea as a means to an end, namely, accumulation of some capital to engage subsequently in some venture at home. Although they were poorly paid, many of them were able to increase their earnings by engaging in minor trading of their own. A considerable number of the sailors were able to become masters of vessels themselves.³⁰ By the late 1830's, however, a different type of American was turning to the sea, and in general they represented a lower type of person who did not differ very much from his British counterpart.³¹

d. American Discriminating Duties

The early China trade had been established and developed wholly on the initiative of the merchants involved, but Congress further recognized its importance. In order to aid the

³⁰A.H. Clark, The Clipper Ship Era (N.Y., 1912), pp, 18-19.

³¹Dennett, pp. 26-28.

development of direct Chinese trade as well as that of the American marine, early protective tariff provisions were enacted by the first Congress of the United States assembled under the Constitution of 1787.³² A discriminating duty was imposed on tea imported direct from China, in American ships, ranging from six to twenty cents per pound; but on tea imported from Europe in American vessels, the duty ranged from eight to twenty-six cents, and on tea brought in foreign crafts, from fifteen to forty-five cents per pound.³³ Moreover, all other Oriental goods imported in vessels owned by foreigners were obligated to pay a duty of 12.5 per cent. ad valorem, or almost the rate levied on that brought in American bottoms.³⁴ Due to these protective tariff provisions, Oriental trade rapidly became an important factor in the commerce of those ports along the American eastern coasts, and laid the foundation of those great fortunes which constitute the origin of the wealth of so many of the older New England families. They brought back immense quantities of tea, species, sugar, coffee, silks, nankeen, and other cloths. All of them were of great value in proportion to their bulk and therefore yielding heavy profits in the carrying trade; and whatever failed to find a market at home was reshipped from New England ports and sold in Hamburg or north Europe.³⁵

³²Johnson, II, 336.

³³Ibid.

³⁴Ibid.

³⁵Dulles, p. 38.

e. Chinese Attitude Towards Foreigners and Trade

Although the American trade with China was gradually flourishing, it was from the first compelled to fit into the Canton commercial system. When the Empress of China had reached Canton, trade had been strictly confined to that port for nearly a generation. The system was so peculiar, and yet so vital in all early relations with China, that a somewhat detailed description of it is essential to a full appreciation of the succeeding years of American intercourse with China.

For more than three thousand years China was the cultural centre of eastern Asia. Separated from the Western world and India by natural barriers which discouraged intimate contact, China not only developed a rich and enlightened civilization for itself, but also served as a source of civilizing influence which lifted other Far Eastern peoples above the level of primitive tribalism. It was natural, therefore, that China came to be regarded by most of its neighbors as a model and benefactor, and that the Chinese themselves acquired an attitude of cultural superiority, which led them to treat all who had not been nurtured in the Chinese tradition as inferior beings or barbarians.

To regulate relations with their admiring but somewhat culturally backward neighbors, the Chinese developed the tributary system, formalizing a kind of suzerain-vassal relationship. In token, all the neighboring kingdoms and principalities (except Japan, which remained politically aloof) periodically sent tribute missions to the capital of the Chinese Empire. At the court, presents consisting of the treasures of their native lands were exchanged for rich gifts to be carried back to their own

rulers, and the envoys themselves were granted the lucrative privilege of trading for a limited time in the local markets. When a king ascended the throne of a tributary state, the emperor of the Celestial Dynasties would confer upon him a patent of appointment and send a representative to present him with an imperial seal. The tributary ruler had the privilege of calling for Chinese military assistance when his position or his territory was threatened by foreign or domestic enemies; as a rule, the Chinese Government did not interfere on its own initiative in the internal affairs of a tributary state. This ceremonial arrangement not only lent privilege to both suzerain and vassal, but also provided a satisfactory vehicle for the conduct of Chinese foreign relations down to the time when western nation-states, with their aggressive tactics and their ideas of national equality, intruded upon the hitherto self-contained Far Eastern scene. Even after European traders and missionaries began to go to China in relatively large numbers, the traditional Chinese system remained unchanged, for the Chinese looked upon the few diplomatic missions sent to Peking by European rulers as ordinary tribute missions. Down to the time of the first Anglo-Chinese War (1839-42), western merchants and sailors, and the consular agents who were sent out in later years to protect their interests, were considered as barbarians by Chinese officials. The Chinese attitude was not without some justification, however, for the behavior of foreigners frequently was anything but

civilized.³⁶

However, although China had trade relations with the West for centuries, and all of the ports along the China coast were opened to the foreigners in 1685, China of the later eighteenth and the early nineteenth centuries was still based on a self-sufficient agrarian economy. The wants of the Chinese were few, and practically all of the necessities of life were obtainable within the confines of the Empire. The Westerners had practically nothing to offer except luxuries. This was a practical reason why China tolerated rather than encouraged foreign intercourse. Only the strong commercial interests of some Chinese merchants and corrupted Manchu officials prevented the entire prohibition of trade. In the early eighteenth century, Englishmen and others were intent on sharing in the profit of the increasing China trade. Rivalries among these traders became intense and greatly disturbed the Chinese officials, who were primarily concerned with maintaining internal order and stability. The Manchus were not a naval power and after the piratical acts of many of the early European adventurers, especially of the Portuguese, they felt it wise to limit western merchants to as few ports as possible and to police them carefully while there, "lest they come and make trouble". All the traders after 1724 were restricted to the Canton area.

³⁶For a carefully documented survey of the tributary system as it operated from the middle of the seventeenth to the middle of the nineteenth centuries please see J.K. Fairbank, Trade and Diplomacy on the China Coast, 1842-1854 (Cambridge, 1953), pp. 3-39; J.K. Fairbank and S.Y. Teng, "On the Ch'ing Tributary System," Harvard Journal of Asiatic Studies, 6:135-246 (1941). For a brief summary see J. K. Fairbank, "Tributary Trade of China's Regulations With the West", the Far Eastern Quarterly, 1:129-49 (Feb. 1942).

f. Old Commercial System at Canton

When the first American ship arrived at Canton to open trade with China, commerce was carried on "under circumstances peculiar to itself; it (was) secured by no commercial treaties, (and) regulated by no stipulated rules."³⁷ The central institute was the "Co-hong" through which all trading was done, and through it the Chinese Government communicated with the foreigners. "Co-hong", composed of a varying number of Chinese "hong" merchants, was a mercantile organization which enjoyed a loose monopoly, unofficially granted by the Chinese authorities for the control of foreign trade at Canton, for dealing with foreign merchants and for the enforcement of trade regulations. They were also, however, held responsible to the extent of their lives for the foreigners' actions.

When a vessel reached the Portuguese colony at Macao, official permission had to be secured from the Chinese authorities in order to permit her to go to Whampoa. She had also to obtain a licensed pilot who brought her past the Bocca Tigris, or mouth of the Pearl river, and two bars, and up to Whampoa which, twelve miles below Canton, was as far as a foreign ship could go, and here she was unloaded and loaded. Before commercial intercourse could be undertaken, however, she had to be secured by one of the "hong" merchants, who guaranteed the seamen's

³⁷E. Roberts, Embassy to the Eastern Courts of Cochin-China, Siam, and Muscat, in the U.S. Sloop of War Peacock ... During the Year 1832 (N.Y., 1837), p. 126, cited by K.S. Latourette, "The History of Early Relations Between the United States and China", Transactions of the Connecticut Academy of the Arts and Sciences, 22:18 (August 1917).

behavior and the payment of duties, and through the hong in return most of her deals were usually made. A comprador had also to be obtained to furnish her supplies and a linguist to transact all the business with the customs house and the various government officials. Then the vessel had to be measured by the deputies of the superintendent (the Hoppo), a declaration made that no opium was on board, and a chop (permission) obtained for unloading the cargo. The unloading and the loading of cargoes was done by a licenced boat running between Canton and Whampoa and was watched by customs officials to prevent smuggling. Just before she sailed, a grand chop, or permission to leave, had to be obtained from the Hoppo.³⁸

The fees paid by the ships were various. The only direct duty levied on the shipping under this system was the measurement charge, which every ship had to pay before its cargo could be unloaded. The Hoppo performed the task of determining the amount, varying with the size of the ship. The duties and port charges were often heavy, and were for the most part uncertain and determined by the customs authorities. There were both import and export duties, the former paid by the foreigners, the other by the hong merchant.³⁹

There were also other various restrictions on trade. No vessels were admitted without a cargo of some sort, aside

³⁸The facts of this paragraph are to be found in Shaw's Journals, p. 173-178; Despatches, Vols. I, II; passim.; Dulles, pp. 14-20; Y. K. Cheng, "Restrictions of Trade (Co-hong and Factory System)", Foreign Trade and Industrial Development of China (Washington, 1956), pp. 3-5

³⁹Cheng, p. 6.

from specie.⁴⁰ The importation of opium, the exportation of bullion, of sycee, or of metallic manufactures and of large amounts of rice were forbidden except by special permit. Smuggling, of course, was prohibited. No vessels of war could anchor off the Chinese coast. The foreigners at Canton were to be closely watched and were compelled to confine their activities to the suburbs, and their residence to the little plot of ground assigned to the foreign factories, or hong, and were not allowed within the city wall.⁴¹

"The Chinese Government have always been in practice of desiring foreigners of every description to leave Canton after the season of business is over, generally residing in April; and the agents of all the East India Company and consuls, invariably leave Canton once about that time and retire to Macao, a Portuguese settlement about 70 miles below ... there they remain during the summer months and return again to Canton generally in September...."⁴²

No women were allowed in the factories, and any attempt to bring them there was the signal for trouble.⁴³ All communications with the officials were required to be in the form of "respective petitions", and to be made, not directly, but through the hong merchants.⁴⁴

Most of these and other regulations were, however, gradually relaxed, partly because of the dishonesty of the Manchu officials at Canton. Later on, smuggling became extensive.

⁴⁰Snow to the Secretary of State, Timothy Pickering, Jan. 24, 1801, Despatches, Vol. 1.

⁴¹H.B. Morse, The International Relations of the Chinese Empire (London, 1910), I : 69-70. (Hereafter cited as International Relations).

⁴²Snow to James Maddison (sic), Jan. 1st, 1803, Despatches, Vol. I.

⁴³E.J. Eitel, Europe in China (London, 1895), p. 19; Denalo, p. 540; Morse, International Relations, p. 69.

⁴⁴Dennett, p. 59.

Ships anchored at a small island named Lintin outside the mouth of the Pearl River, loaded and unloaded by means of small boats and avoided not only the port charges, but often some of the duties.⁴⁵

g. American Attitude Towards The System

On the whole, this system of trade worked well. At the turn of the nineteenth century the Americans accepted it gladly. They put themselves entirely in the hands of the Chinese, and from the time of Shaw's first contact with the co-hong until the end of it in 1844, there were few complaints on the part of the American merchants. As the first American Consul to China, Samuel Shaw wrote Jay a letter in which he said that the trade at Canton "appears to be as little embarrassed, and is, perhaps, as simple as any in the known world." He continued:

"On the whole, it must be a satisfactory consideration to every American, that his country can carry on its commerce with China under advantages, if not in many respects superior yet in all cases equal, to those possessed by other people."

h. The First Flush of American-Chinese Trade

The American trade with China at Canton soon assumed considerable proportions. The second year after the Empress of China reached Canton in 1786, five American merchant ships arrived in port, and three years later, in 1789, fifteen plied the South China waters. No other nation, save Great Britain, had a larger number. Principal American imports from China were

⁴⁵Samuel Shaw to John Jay, May 19, 1785, Diplomatic Correspondence of the United States, 1783-89, Vol. II, cited by J.M. Callahan, "American Relations in the Pacific and the Far East", 1784-1900, John Hopkins University Studies in Historical and Political Sciences Series, 19. 1-3:4 (Jan.-Mar. 1901).

teas, silks, nankeens, and Chinaware. Tea was the most valuable. The imports of tea, 1790-1800, amounted to 28,000,548 pounds or an average of 2,545,504 pounds a year. Much of this, however, was re-exported. During the years 1804-1807 the amount imported was 23,721,849, the amount exported 7,673,389 pounds, and the amount consumed 16,048,460 pounds. The average value of goods paying ad valorem duties, nankeens, all silk and cotton goods, and chinaware, imported from China and other Asiatic states, 1802-1804, was about \$2,300,000; for the years 1805-1807, it was \$1,938,240. The balance of trade was decidedly against the United States, for few articles, domestic or foreign, were shipped direct from the United States to China. In 1800 twenty-three American vessels visited Canton, and the value of their export cargoes was \$2,500,000; and in 1801 thirty-four vessels with exports valued at \$3,700,000. For the year 1805, the exports to the United States from Canton amounted to \$5,300,000, and the imports to \$5,100,000, and for the four years ending with 1807, the exports averaged annually \$4,200,000, and the imports \$4,100,000, and the average arrival of vessels was thirty-six.⁴⁶ The entire commerce of the United States at that period was comparatively small, and the trade with China constituted a very considerable part of it; but the foregoing figures may give a somewhat exaggerated idea of the aggregate trade. Because no statistics are available of the commerce with China before 1821,⁴⁷ the

⁴⁶Pitkins, pp. 246-249. For vessels, see Despatches, Vol. I, passim.

⁴⁷Snow to Secretary of State, Nov. 9th., 1800, Despatches, Vol. I.

foregoing figures are taken from the returns of the Canton customhouse.⁴⁸ At that period American ships were engaged in an indirect trade, and in addition, they were also carrying on a considerable traffic between China and South America; but if the large amount of smuggled goods, which do not appear in the returns, is estimated, the relative proportions would not be materially changed. One reason for the enterprise and success of the American trade with China may be found in its entire freedom from governmental restraint, while that of the European countries was controlled by the monopolies of the various East India Companies.

The first flush of success made Americans feel that their trade with China would expand indefinitely. But it soon became apparent that a limit would speedily be reached, because the consumption of tea, the chief article of importation from China, was limited in the United States. In addition, there was great difficulty in getting goods which could be exchanged for Chinese cargoes. For several centuries, Europeans had gone to China in search of her teas and silks, while but few Western products could be found for which there was a return demand. The balance of trade had been met by heavy shipments of specie, a drain which had long been a cause of concern. From the very beginning, the American traders had also faced this difficult condition. They had hoped, for a time, that ginseng would be served as a product to balance the trade,⁴⁹ but before long the

⁴⁸Pitkins, pp. 246-249.

⁴⁹Shaw's Journals, pp. 229-236, 307.

demand for this drug by the Chinese was apparently limited.⁵⁰ Therefore, the American merchants had to export specie extensively to make up the deficit. During the period 1805-1814, for example, the export of specie from America to China amounted in value to \$22,719,000, about 70% of the total exports, while the value of merchandise exports was only \$9,788,688, 30% of the total.⁵¹ At that time specie was of all her commodities the one which the United States could least spare, as then she had no silver or gold mines of importance.⁵² Specie was therefore hard to obtain for such luxuries as Chinese teas and silks. If these unfavourable conditions could not be changed, American trade with China would be greatly influenced.

2. The Effects of European Wars

Fortunately, two different groups of events, occurring about this time, partially removed these hindrances and stimulated American trade with China to rapid expansion. One event was the European wars following the French Revolution in 1789, the other was the opening of new sources of goods with which to supply the Canton market. The repercussions of the first one on American foreign trade are too well known to require detailed treatment here. During the period of the Napoleonic Wars, ships of the United States became the common carriers of European goods. Large portions of the West Indies and the European Continent

⁵⁰The root served only for some curative purposes and was not commonly consumed by the Chinese people.

⁵¹Pitkin, p. 303.

⁵²Ibid., p. 145, "Trade of the United States increased by the wars in Europe."

were thrown open to their commodities. The result on the trade with China was to give a wider market for tea, and to provide specie and other goods needed for cargoes to Canton. Between 1801 and 1811 from a fourth to a half of each year's imports of tea were re-exported from the United States. The embargo year of 1808 fell much below this average, but the following year made up for the deficit. The American ships also took many cargoes directly from Canton to Europe without passing through their own country.⁵³

3. The Discovery of New Sources of Furs

The second group of events, belonging so peculiarly to the Chinese trade, resulted from the dearth of specie, which impelled Americans to seek some acceptable but less expensive substitute for the Canton market. For a time the United States seemed to have no other native product which would attract the Chinese except ginseng. But the latter was wanted in only limited amounts. Within a few years, however, there was found a demand in the Canton market for furs, for sandalwood, and for various products of the South seas, and with this demand came the discovery and development of fresh sources of supply of these articles. The search for these classes of merchandise finally resulted in the settlement of Astoria and the colonization of Oregon, and contributed to the establishment of American influence along the western coast of South America, in the islands of the Pacific, and in the Far East.⁵⁴

⁵³Ibid., pp. 246-247.

⁵⁴For detail please see N.A. Graebner, Empire on the Pacific (N.Y., 1955), chap. 11; F.R. Dulles, American in the Pacific (Boston, 1932), p. 29ff.; M.J. Callahan, p. 4ff.; R.G. Cleland, "Asiatic Trade and American Occupation of the Pacific Coast", Annual Report of the American Historical Association, 1:281-289 (1914); L.H. Battistini, The Rise of American Influence in Asia and Pacific (Michigan, 1960), chap. 1.

As we mentioned above, John Ledyard's idea of the possibility of a lucrative triangular fur trade involving New York, the Northwest coast of America and China was ignored by the merchants in New York and New England in 1782. When the Empress of China first arrived at Canton, some furs came through the Russians, and some from Europe and America through European traders⁵⁵, to which the Americans did not pay any attention. Until 1784 with the publication of Cook's journals, what John Ledyard had known came unmistakably clear to the world. The immediate effect of these was a great interest in the prospective trade. As Washington Irving said, "It was as if a new gold coast had been discovered. Individuals from various countries dashed to this lucrative traffic."⁵⁶ Within a few years, the fur trade, it was estimated, became of even greater importance in the Canton market than other commodities during this period. There were three sources of supply; the furs which came from the region of the Great Lakes and the Mississippi Valley were brought to the Atlantic ports, principally New York, and then shipped as part of the regular cargoes to Canton. Various pelts, chiefly those from the sea otter, which were obtained by barter from the Indians on the Northwest Coast of America, and sealskins, which were found in the Falkland Islands and the South Seas, were also sent to Canton by American vessels which stopped at those islands.

The first voyage in this traffic from the United States was not made until 1787.⁵⁷ A company of Boston merchants, seeking

⁵⁵Chinese Repository (Canton, 1832-1851), 3:557; Speer, p. 412.

⁵⁶Washington Irving, Astoria, or Anecdotes of Our Enterprise Beyond the Rocky Mountains, 2 vols. (Philadelphia, 1836), I, 32.

⁵⁷E.S. Meaney, Vancouver's Discovery of Puget Sound (N.Y., 1907), p. 26.

new fields of commerce between the Northwest Coast and Canton, sent the Columbia (Captain Kendrick) and the sloop Lady Washington (Captain Grey) to the vacant lands south of the Straits of Fuca to explore and to trade.⁵⁸ The Washington reached Nootka Sound on September 17, 1788, a few days before the Columbia. After remaining at Nootka until October 1789, the Columbia, now under Captain Grey, carried furs to Canton, exchanged them for tea, and returned to Boston, August 1790, by the way of Cape of Good Hope, thus completing the circumnavigation of the globe.⁵⁹ Her return was celebrated at Boston with much enthusiasm. From a financial standpoint the voyage of the Columbia was not a success, but the enterprising Bostonians were determined not to neglect the "infant and lucrative China trade."⁶⁰ Under the command of Captain Grey, the Columbia started in May, 1790, on a second voyage. She discovered the river that bears her name,⁶¹ an event the full significance of which did not become apparent until the rise of the Oregon question in the nineteenth century.

The direct trade of the North Pacific between the American coasts and China soon grew in importance, and remained almost entirely in the hands of American merchants.⁶² The American ships usually began with valuable cargoes of West Indian products and British goods for the natives, perhaps

⁵⁸H.H. Bancroft, History of the Northwest Coast, 2 vols. (San Francisco, 1884), I, 185.

⁵⁹The Columbia was the first American vessel around the world. Ibid., I, 185-209.

⁶⁰Letter of Charles Bulfinch to William Cushing, Dec. 1, 1816, cited in Ibid., I, 260.

⁶¹Ibid.

⁶²Pitkin, p. 251.

gathered a few seal skins in the South Pacific, bartered with the natives of the Northwest Coast for furs, completed their cargoes with sandalwood and other articles at the Sandwich Islands, and exchanged everything for teas, silks and nankeens at Canton.⁶³ By way of the Cape of Good Hope, they sold the Chinese goods in Europe and returned to the United States. The voyage was generally very lucrative. The original outlay for the cargo was small. The furs were sold at Canton at a large gain, and the Chinese goods brought another gain in Europe or in the United States, thus giving three chances for profit. Of course, the dangers from ship wreck, and especially from the natives, were great. Thus, the majority of the trade fell into the hands of a few large firms - such as the Perkins, the Lambs, the Sturgis family, all of Boston, D'Walk of Bristol, and others.⁶⁴ The merchants of New York, Philadelphia, and Providence were for the most part not engaged in it.⁶⁵

While the fur trade lasted, that is until the seals were nearly extinct, it was probably the most profitable branch of the Canton trade. As to the extent of the trade, it was estimated that from the Island of Massafuero alone between 1793 and 1807 three and a half million furs were taken and sold at Canton.⁶⁶ Another estimate put the number of seal furs brought

⁶³Dulles, The Old China Trade, pp. 50-65.

⁶⁴Despatches, Vols. I, II, passim.

⁶⁵Ibid.

⁶⁶B. Morell; A Narrative of Four Voyages to the South Sea, from 1822-1831 (N.Y., 1832), p. 130.

to Canton from all the South Pacific during the period 1805-1834 at nearly 1,800,000, the value of which may be placed "most conservatively" at \$3,500,000. Sea otter pelts from the northwest coast during the same period amounted to 160,000, valued at not less than \$4,000,000.⁶⁷ The culmination of this trade was reached shortly after the turn of the nineteenth century. It was, however, self-destructive; ruthlessly and recklessly, and within a decade competition had overstocked the Canton market and the seals under no protection had become so scarce that it was no longer profitable.⁶⁸ By the opening of the War of 1812, the whole fur trade had nearly run its course.⁶⁹

The securing of sandalwood, beche de mer and various other productions in the South Seas, were the other attempts to find a substitute for specie which were made in the years following 1790.⁷⁰ From various accounts it may be said that the first vessels to bring sandalwood to Canton market were those engaged in the fur trade, and that it was discovered by them while stopping at the Hawaiian Islands.⁷¹ As the knowledge of its value spread, it was discovered on the Fiji Islands and various groups of islands in the South Seas. Later on, beche de mer and other articles from this area formed a part of the cargoes. The most prosperous years of the South Sea trade were after the

⁶⁷Fur trade statistics may be found in Pitkin, p. 251.

⁶⁸For a more detailed account of the fur trade see Dulles, pp. 50-65; Morison, p. 55ff.

⁶⁹Ibid.

⁷⁰Chinese Repository, 2:469.

⁷¹R. Greehow, History of Oregon and California and the Territories on the Northwest Coast of North America (London, 1844), p. 228.

War of 1812. However, it was to have the same fate as the fur trade, since the supply of sandalwood and other articles was badly depleted by 1820. But the sandalwood trade led eventually to annexation of the Hawaiian Islands and other groups in the South Seas to the United States.⁷²

4. Two Routes To Canton

The early American vessels took either of two routes in reaching Canton. The customary route from the ports along the Northwest Coast of America was eastward across the Atlantic Ocean to touch at the Cape of Verde Islands, to round the Cape of Good Hope, and then either to keep east until just south of the Straits of Sunda, or to go north to French Mauritius, and thence to the Straits of Sunda and Canton.⁷³ The other route was around the eastern coast-line of South America, around Cape Horn, and then across the Pacific to intervening ports and Canton. Traders using the eastward route frequented the ports of the Indian Ocean, the East Indies and finally Canton. Some vessels would stop at European ports, such as Amsterdam, Hamburg, or St. Petersburg, either carrying freight on their return voyage, or touching on their way home to unload cargoes of teas and silks and to take on freight for America.⁷⁴

5. The Prosperity And The Dangers

European wars, resulting in the opening of new avenues

⁷²Morison, p. 58.

⁷³Delano, pp. 220-221 and passim; H.W.S. Cleveland, Voyages of a Merchant Navigator (N.Y., 1886), p. 34.

⁷⁴Weeden, pp. 242-253.

of trade and the establishment of an efficient merchant marine, caused a striking growth in the Sino-American trade. In the season 1804 - 5 there were thirty-four American vessels at Canton, in 1806-7 there were forty-two and in 1809-10 thirty-seven.⁷⁵ The imports to Canton in these three periods were \$3,555,818, \$5,127,000 and \$5,715,000 respectively.⁷⁶ While the total export from the United States had more than quadrupled in a decade and a half,⁷⁷ that to China had nearly kept pace with it, averaging each year four and five percent of the total.

This great prosperity, however, was not unmixed with dangers. In addition to the very stormy China sea and occasional typhoons, the Southeastern Asian waters were infested with pirates who centered around the mouth of the Pearl River, and who usually preyed along the shores of Kwangtung Province. Several attacks by them are recorded.⁷⁸ More dangerous than the pirates, however, were the French and British privateers and men of war. Here, as elsewhere in these years, British claims to the right of search for "deserters" were annoying American merchants. The United States could send no warships to protect them. Carrington, the consul at Canton, could only remonstrate with the British officials and protest to the Chinese authorities. But

⁷⁵Shaw's Journals, p. 297.

⁷⁶U.S. Sen. Docs. No. 31, 19th Congress, I. sess, passim.

⁷⁷American State Paper, "Commerce and Navigation" (Washington, 1832), I, 927, 928. Exports from the U.S., 1791-92, \$20,753,088; 1806-7, \$108,343,150.

⁷⁸Wilcocks to Secretary of State, September 22, 1817, Despatches, Vol. I. As late as 1817 there is record of an attack by pirates on the ship "Wabash" of Baltimore, although the worst nest must have been rooted out some time before.

the hong merchants, knowing that they would be held responsible for the correction of the evils, refused to transmit Carrington's petition.⁷⁹ In 1806 the British threatened to prohibit all American ships from setting out to sea. Cut off from any assistance from home and from any hope of interference by the Chinese, the patience of the Americans became strained to the breaking point by a series of incidents.⁸⁰ The struggle, however, was not one-sided. American privateers cruised off the mouth of the river, taking prizes and bringing them in for condemnation, although they did not equal in number those taken by the British. From December 1812 to May 1813, fifteen American ships were brought by the British to Canton and condemned.⁸¹

6. The War of 1812

The War of 1812 between the United States and Great Britain was a distinct break in the trade between America and China. Here, as in other branches of commerce, fear of capture by the British kept American vessels at home. The total commerce of the three seasons from 1812 to 1815 was barely half of that of the year before the war, and less than a third of that for the season 1809-10.⁸²

⁷⁹Carrington to Madison, Nov. 25, 1805, Despatches, Vol. I; Sen. Ex. Doc. 71, 26 Cong., 2 sess., p. 3.

⁸⁰Carrington to Snow, Jan. 12, 1814, Despatches, Vol. I.

⁸¹Ibid.

⁸²Sen. Ex. Doc. 31, 19 Cong., 1 sess., Total exports and imports from U.S. to Canton, 1812-3, 1813-4, 1814-5, \$3,096,500; for 1811-2, \$5,903,810; for 1809-10, \$11,459,600.

B. 1815-1844

1. A Period of Peaceful Commercial Relations

a. Rapid Recovery of the Trade

American commercial intercourse with China made a rapid recovery with the termination of the War of 1812 between the United States and Great Britain. The effect of the Treaty of Ghent on the trade was quickly felt, even more spectacularly than that which had followed the lifting of Jefferson's embargo. The high prices of Chinese tea and silk resulting from the war stimulated the natural increase due to the revival of commerce, and for the first few years many new firms went into the commercial business. Due to the keen competition both the United States and the European countries were flooded with Chinese goods, such as tea, silks and nankeens. Through this sub-period the first season showed a decided increase, the second nearly equalled the largest one before the Anglo-American War, and the three succeeding ones all greatly surpassed it. Thirty vessels reached Canton in the season 1815 - 16, thirty-eight in 1816-17, thirty-nine in 1817-18 and no less than forty-seven in 1818-19. This set a new mark for the China trade and both imports and exports were over nine million dollars.⁸³

⁸³Sen. Ex. Doc. 31, 19 Cong., 1 sess., passim.

Year	Imports from Canton	Exports to Canton
1815-16	\$2,527,500	\$4,220,000
1816-17	5,609,600	5,703,000
1817-18	7,076,828	6,777,000
1818-19	9,867,208	9,057,000
1819-20	8,185,800	8,173,107

Before the war the highest figures were reached in 1809-10, and they were \$5,744,600 and \$5,715,000.

b. A Transformation of American-Chinese Trade

American trade with Canton was actually on the brink of a transformation. During the period 1790 to 1812, the controlling factors of the Chinese-American trade had been the European Wars and the fur trade. But the beginning of 1815 found the gradual disappearing of these factors. The European Wars had ceased and the American vessels were no longer the neutral carriers of the commercial world. Voyages to the Northwest and the islands about Cape Horn were becoming more and more infrequent, as may be seen in the decrease in the importation of sea-otter furs and seal-skins. Towards 1820 the fur trade had nearly reached its end, because of the gradual disappearance of the seals from the northwest coast of America and the South Seas.⁸⁴ The sandalwood trade had also passed its zenith. But there were other new conditions which led to the steady and rapid growth of the China trade. In the period of the Napoleonic Wars, the European trade barriers had been lifted and the Chinese cargoes, especially teas, carried in American vessels still had a market in the European Continent, and because the population of the United

⁸⁴The best index of this decline is the importation of sea otter and seal-skins, the principal pelts, to Canton. Seal-skins came mostly from another branch of the fur trade. Pitkin, p.245ff.

Year		1805	1806	1807	1808	1809
Sea otter skins		11,003	17,445	14,251	16,647	7,944
Seal skins		183,000	140,297	261,000	100,000	34,000
1810	1811	1812	1813	1814-15	1816	1817
11,003	9,200	11,593	8,222	6,200	4,300	3,650
.....	45,000	173,000	109,000	59,000	109,000	27,000
1818	1819	1820	1821	1822		
4,177	4,714	2,488	3,575	3,507		
47,290	91,500	24,726	13,887	11,924		

States was more numerous and wealthier than in 1790, there was a growing home market for Chinese goods. The Americans had more commercial capital, and more specie, and did not stand in such need of other articles as a substitute for specie as in 1790. Hence, in spite of the disappearance of the principal causes of previous prosperity, the years after 1814, until 1844, were, on the whole, successful ones for the Sino-American trade, even though they were, for the most part, quiet and lacking the fervor of the two decades before the war of 1812.

"The China trade, in short, was losing its air of romance and excitant, and becoming simply a regular commerce which differed from that in other parts of the world only because of the peculiar conditions which exists in Canton."⁸⁵

By the 1820's the trade had taken on new characters. In 1821 the United States Treasury first began making its annual reports on American trade with China. American firms with headquarters at Canton had replaced the supercargoes who had accompanied the captains of vessels to handle the deals at that port. Large companies had also replaced the individual traders who had provided the capital and initiatives for the enterprises. In 1828, for example, about seven-eighths of the China trade at Canton was handled by four large firms: Perkins & Co., of Boston; James Oakford & Co., of Philadelphia; Archer of Philadelphia, and T.H. Smith of New York. Salem had already lost its early significance, Boston and Philadelphia were soon to decline in importance, Baltimore had become no more active than Providence. However, New York City, which had been the first to send out an

⁸⁵Dulles, p. 112.

American vessel, The Empress of China, to Canton, dominated the China trade and was becoming the great center for the distribution of Chinese cargoes. During the period from 1821 to 1841, between thirty and forty ships sailed each year from these Atlantic ports to Canton.

c. The Increase of American Interests on the Pacific Coast

After the opening of the fur trade between the Northwest Coast and Canton, American interests on the Pacific coast increased with the number of American ships sailing between that region and China. It was through this trade that Americans had first come to know the region, and such claims as the discovery of the Columbia River and the settlement at Astoria arose directly through it. Moreover, one of the chief reasons urged for occupation of Oregon was the acquisition of a Pacific port as a base for the Canton trade. Thomas Jefferson, whose far-sighted wisdom began the trans-Mississippi westward movement, throughout his long life cherished a desire to secure a share of Oriental trade for the United States. With this object in view he, then as the American minister to Paris, encouraged John Ledyard to journey eastward from Paris to the northwest coast and from there to explore a way across the continent to the American settlements, thus opening an overland route for the transportation of the merchandise of China.⁸⁶

In 1803 President Jefferson sent Meriwether Lewis and William Clark to explore along the Missouri and trace some

⁸⁶Writings of Thomas Jefferson ed. P. Ford (N.Y., 1892-9), VI, 158-161.

convenient stream to the Pacific with a view to opening an inland trade route.

"The object of your mission," ran Jefferson's instructions to Lewis and Clark, "is to explore the Missouri River and such principal streams of it as by its course and communication with the waters of the Pacific Ocean may offer the most direct and practical water communication across the continent for the purpose of commerce."⁸⁷

The settlement in Oregon, like its exploration, had its beginning in China trade. In later years, giving his reason for the establishment of Astoria, Astor wrote that he desired it

"to serve as a place of depot (deposit) and give further facilities for conducting a trade across this continent to that river (the Columbia), and from there ...to Canton, in China, and from thence to the United States."⁸⁸

d. The Influence of China Trade

The influence of the China trade became even more important when the agitation for the occupation of the regions around the Columbia began to assume considerable proportions. The primary objection to the joint occupation with Great Britain was the strategic position of Oregon relative to the Orient. Floyd, Chairman of the House Committee on the Occupation of the Columbia River, urged in his report to the House that

"... the Columbia (holds), in a commercial point of view, a position of the utmost importance; the fishing on that coast, its open sea, and its position in regard to China, which offers the best market for the vast quantities of furs taken in those regions, and our increasing trade throughout that ocean, seems to demand immediate attention."⁸⁹

⁸⁷Ibid., VIII, 194.

⁸⁸Astor to Adams, Jan. 4, 1823, American State Papers, Miscellaneous, 11, 1009.

⁸⁹Annals of Congress, 16 Cong., 2 sess., p. 45.

In the debate of December 17th, 1822, his relative emphasis upon the China trade was still stronger.

"The settlement of Oregon ... is to open a mine of wealth to the shipping interests.... It consists principally of things which will purchase the manufactures and products of China at a better profit than gold and silver; and if that attention is bestowed upon the country to which its value and position entitle it, it will yield a profit, producing more wealth to the nation than all the shipments which have ever in any one year been made to Canton from the United States ... Were this trade cherished.... we could purchase the whole supplies of the United States in the Canton market without carrying one dollar out of the country."⁹⁰

In his later argument, he continued to emphasize the value of China trade, and argued that the grain fields of the Columbia valley could ultimately supply the market of China. The importance of Oregon in the China trade was in the argument used by the other supporters of Oregon occupation.⁹¹

Although Floyd's bill was defeated later and the question was dropped in Congress, it can be safely said that the Oregon Country was reserved to the United States because of its importance in the American commerce with China, and because of the claims to it which the early fur trade had established.

e. Terranova Affair

After the conclusion of the Treaty of Ghent, the American trade with China was carrying on steadily and quietly until the Terranova affair, in September and October, 1821; which caused a temporary suspension of trade relations between

⁹⁰Floyd of Virginia, Speech, Dec. 17, 1822, Annals of Congress, 17 Cong., 2 sess., p. 398.

⁹¹Annals of Congress, 17 Cong., 2 sess., Dec. 18, 1822, pp. 418, 423, 583, 586; Register of Debates, I:18-22, V:149.

the United States and China. Terranova was an Italian sailor on the American ship Emily and was accused by the Canton authorities of having killed a Chinese woman on a boat. Captain Cowpland of Baltimore, of the ship Emily, thought that her death was probably accidental and refused to surrender the sailor, who was put in irons by him. An embargo was laid on all American traders at Canton as a means of bringing pressure to bear upon the Americans to obtain the surrender of Terranova. After repeated conferences between the Americans and the cohong merchants, and after repeated assurances that the former would offer no resistance, Terranova was surrendered to the Chinese authorities. American trade was at once reopened by an edict of the viceroy at Canton.⁹² Aside from this accident, though American-Chinese relations during this period were quite uneventful, the traders of both countries lived together peacefully and amicably. This case, however, revealed two fundamental facts underlying the trade relations, which led to the later trouble between the Chinese authorities and foreign merchants at Canton. They were: the complete lack of formal diplomatic intercourse and treaties between China and America, and hence of a mutually recognized means of adjusting international difficulties; the policy of the United States of keeping entirely aloof from the Chinese Government, and of granting no powers other than commercial to the consul. These factors made all intercourse uncertain. This system could be carried on very well as long as all was harmonious, but the moment that difficulties arose it broke down.

⁹²For details of the Terranova affair, please see the reports of the proceedings sent to the Secretary of State by the Consul, Wilcocks, Nov. 1, 1821, Despatches, Vol. 1.

f. The Early American Policy Towards China

On the Terranova case, no official comment was ever forthcoming from the United States Government. China was still too far away for events there to arouse very much concern at home - so long, that is, as the Americans continued to enjoy the advantage of trade. As the years went by, several American sloops of war visited Canton waters. Orders were quickly issued by the Chinese authorities that the American warships should leave immediately. Americans resident at Canton doubted that the visits of American naval vessels could prove of any benefit in allaying "the petty delays and impositions peculiar to our flag". They feared that if too bold a course were followed, the Chinese would retaliate by the cutting off of all trade.

Throughout the early years of American trade at Canton, the policy of the United States towards the Chinese Empire was

"the policy of the Americans on the ground. And their own concern was that nothing should be allowed to interfere with the trade that actually existed. They were willing to make almost any concession to remain in the good graces of Chinese officialdom, and their caution made them look with serious misgivings upon these visits of U.S. naval vessels to Chinese waters. Fearful of losing what they had, rather than anxious to gain further privileges, they were always ready to let well enough alone."⁹³

2. The Course of Trade (1814-1844)

As we have noted, the years following the War of 1812 were marked by the recovery and growth of the China-American trade, aside from the Terranova episode. The commerce, however, did not yield more profits. The average return on investment was estimated at six per cent. Because over-optimistic merchants

⁹³Dulles, China and America (N.J., 1946), p. 17.

imported too largely on credit, too many inexperienced men were drawn into the business. Competition became too keen in a market which had already become over-stocked, and commercial failures followed. There was a slight increase in trade in 1819, perhaps because of the general depression, but the real crisis came in 1826. After that year, in sharp contrast to the previous prosperity, imports and exports to and from Canton fell off a third, and did not recover until 1833. Table I compiled from several different sources shows some remarkable changes in the Sino-American trade. During the period 1816-20, the total amount of the value of imports from China to the United States was \$33,266,936, while the exports from the United States to Canton amounted to \$33,930,107 (including \$25,779,000 of bullion and specie), thus nearly balancing each other. In the following years, 1821-30, however, the total imports amounted to \$52,954,994 while the exports were \$35,477,581, leaving a discrepancy of \$17,477,013. This discrepancy between imports and exports in the next decade, 1831-40, was greater, the total imports to the United States from Canton being increased to \$61,223,223, while exports fell off to only \$12,749,203, leaving a balance of \$48,474,020.

TABLE I

Trade of The United States and China, 1810 - 1844

Years ending Sept. 30	Exports from U.S. to China			Imports to U.S. from China	Whereof there was in Bullion and Specie		Total trade in \$1,000
	Domestic in \$1,000	Foreign in \$1,000	Total in \$1,000	Total in \$1,000	Exports to China in \$1,000	Imports from China in \$1,000	
1810(a)	.....	.....	5,715	5,745	4,723)	...	11,460
1816(b)	.....	.....	4,220	2,528	1,922)	...	9,748
1817	.....	.....	5,703	5,610	4,545)(e)	...	11,313
1818	.....	.....	6,777	7,077	5,601)	...	13,854
1819	.....	.....	9,057	9,867	7,414)	...	18,524
1820	.....	.....	8,173	8,186	6,297)	...	16,359
1821(c)	389	3,902	4,291	3,112	3,391	...	7,303
1822	429	5,506	5,935	5,243	5,075	1	11,178
1823	288	4,348	4,636	6,511	3,584	22	11,147
1824	330	4,971	5,301	5,619	4,464	...	9,920
1825	160	5,410	5,570	7,533	4,523	...	13,103
1826	242	2,324	2,567	7,422	1,652	...	9,989
1827	291	3,574	3,864	3,617	2,525	...	7,481
1828	230	1,252	1,481	5,339	456	24	6,820
1829	261	1,094	1,355	4,681	602	...	7,036
1830	156	586	742	3,878	80	9	4,620
1831	245	1,046	1,291	3,083	367	...	4,374
1832	339	924	1,261	5,345	452	26	6,606
1833	538	896	1,434	7,542	290	6	8,976
1834	256	755	1,010	7,892	379	...	8,902
1835	336	1,533	1,869	5,987	1,392	...	7,856
1836	342	853	1,194	7,325	414	...	8,519
1837	319	312	631	8,965	155	...	9,596
1838	656	861	1,517	4,765	729	4	7,282
1839	430	1,103	1,534	3,679	993	...	5,213
1840	469	541	1,010	6,641	477	...	7,651
1841	715	485	1,201	3,095	427	...	4,296
1842	738	707	1,444	4,935	607	...	6,379
1843(d)	1,755	664	2,419	4,386	572	...	6,805
1844	1,110	647	1,757	4,931	567	...	6,688

(a) and (b). These figures for the year 1810 and for 1816-1820 were cited in U.S. Senate Exec. Doc. 31, 19th Cong., 1st Sess., passim.

(a) The largest one before the War of 1812.

(c) From 1821 to 1844, the figures are cited in I.S. Homan, A Historical and Statistical Account of the Foreign Commerce of the United States (N.Y., 1857), p. 181, passim.

(d) Only nine months to June 30, and the fiscal year after 1844 changed to begin July 1st.

(e) These figures are cited in Pitkin, p. 303.

a. Specie and Bills of Exchange

Before 1826, all balances of trade favorable to China were paid in bullion and specie, so that no appreciable discrepancy remained between the values of exports and imports. After that year, the American merchants paid off these balances, not by credit borrowing from the Chinese, but by bills of exchange on London, which were to take the place of specie. During the period 1805 - 1826 the exportation of specie from the United States to China reached a total of \$58,707,891. Until bills of exchange began to take its place, it formed half and even three-fourths of the total export to China, amounting in 1819, for example, to nearly seven and one half million dollars.⁹⁴ The drain of this metal was heavy but necessary, because the American merchants were willing to pay the Chinese with so expensive a commodity in exchange for teas which they found were being profitable in the American and European markets. At that time, most of the specie was in the form of Spanish milled dollars obtained from Spanish colonies and South America. By 1827, bills of exchange on England began to replace specie. The rapidly increasing importation of opium by the British in the early nineteenth century turned the balance of trade against China, and made it cheaper for the American merchants to buy bills of exchange with American cargoes sent to England than to obtain specie from the Spanish.⁹⁵ During the years 1827 - 1833, nearly nine million

⁹⁴Ibid., Table No. XVIII. In this year the imports of specie to Canton amounted to \$7,414,000.

⁹⁵A.J. Sargent, Anglo-Chinese Commerce and Diplomacy in the Nineteenth Century (Oxford, 1907), p.56.

dollars of these English bills were used by the American merchants to pay off their unfavorable balance of Canton trade. In 1833, for example, specie amounted only to one-seventh of the sum of the bills on England, and merchandise to less than two thirds.⁹⁶

b. The Composition of Imports and Exports

The years between 1815 and 1839 were also marked by noticeable changes in the composition of imports to and exports from China. One of the new articles of importation to China was cotton. Still the Americans purchased nankeen at Canton, but later the quantity of the western coarser cottons increased in the eastern market. About half of that imported in American bottoms was from the United States, the rest being from European countries. The introduction of manufactured goods into the Chinese market in the years immediately preceeding the beginning of the Opium trouble in 1839 was of great significance for the future, as it placed China and her teeming millions of people in a new light. Foreign merchants now began to think of China as a limitless market for manufactured goods, particularly textiles, rather than primarily as a supplier of tea and other luxury items. The first textile goods sold by Americans in Canton were obtained from England. English and other European textile goods imported into China by American vessels reached their peak in value around 1825, when they were valued at about \$5,500,000. In that year American textile goods brought into China amounted only to about \$160,000 in value. By 1830, however, these goods had increased to more than \$500,000 in value and by 1845 they had exceeded \$1,000,000 in value. By that time the importation of British and other European textile goods into Canton by American ships had fallen off sharply. Although the total of all American trade

⁹⁶Pitkin, p. 303.

with China in 1840 had amounted only to about seven million dollars, it was the future prospects rather than the then current volume that excited American entrepreneurs with interests in the Canton trade.

c. Imports of Opium to China

For American raw cotton, however, there was little demand, since the product of China itself and that of India was cheaper. Other articles included ginseng, quick-silver, rice, copper, lead, rattans, pepper, nutmegs, tin, cochineal, cloves and coral, but none of them were of great importance. Most of these cargoes the Americans obtained from places other than their own country. In the early years of the nineteenth century, the American vessels also engaged in carrying opium. But the importation of this drug by Americans was always much less than that by the English, and most of it was the inferior kind obtained in Turkey. It is, however, impossible to obtain the figures for it, since it was a contraband article after 1791, but it seems to have been first regularly imported about 1816, and therefore smuggling was great.⁹⁷ The share in the importation by Americans of opium from India is even more difficult to determine as American ships carried cargoes freely from British India to Canton, and in these consignments opium eventually appeared. Although at no time did the American importation of opium form a very considerable part either of the total import of the drug to China or of the total of American imports, the existence of the trade itself conferred on the Americans a direct benefit, for it reduced the necessity for the importation of

⁹⁷Charles C. Stelle, "American Trade in Opium to China. Prior to 1820", Pacific Historical Review, 9: 425-444 (Dec. 1940).

silver. As the supply of furs began to decline after 1820, and while the American cotton trade was in its infancy, the increased importation of opium was a very important transaction. It was asserted by one who traded in it extensively that from 1827 to 1830 Americans disposed of from twelve to fourteen hundred piculs annually. In 1831-32, it was brought in to the value of more than two million dollars,⁹⁸ but this seems to have been its high-water mark. No other years did surpass that amount.

d. Repealing the Monopoly of the East India Company

During this period the American merchants imported British manufactures to Canton and also brought into England the Chinese cargoes. Due to the absence of discriminating port charges and duties on cargoes imported by foreign vessels (except a small one or two per cent) in London and the absolute exclusion of all English free traders from the market, the American trade between Canton and London soon assumed a rapid growth. It was, of course, stirring up the jealousy of the British, who had long watched American trade with China with growing uneasiness. Their agent in the United States had informed them of its development. By 1813, British opponents of the East India Company were beginning to use the fact of the rapid growth of the American-Chinese trade as a pretext for attacking the monopoly of the Company and as an argument for making the British commerce with China free. In the following years, the public opinion on this subject was so strong that the House of Lords' Committee on the Foreign Trade could not but spend a large proportion of time in 1820 and 1821 to gather information on American trade with Canton.

The evidence showed that the Americans accumulated such large fortunes from profit in the unrestricted trade that the committee reported favorably on a similar plan for their own subjects.⁹⁹ Subsequently, the American trade was discussed over and over again in public meetings, in the press, and on the floor of Parliament,¹⁰⁰ and at last cited as a reason for repealing the monopoly of the East India Company in 1834. Contrary to the merchants' expectations, however, this shipment in American ships did not cease with the end of the monopoly of the East India Company, but continued to 1837 at least¹⁰¹ and probably longer.

e. Import of Tea to the United States

Of the exports from Canton to the United States, tea was always preeminent. During these early trade years, in fact, American commerce at Canton was mostly for the purpose of obtaining this article.¹⁰² In 1822, 6,639,434 lbs. of tea were imported into the United States, 7,707,427 lbs. in 1828, 9,906,606 lbs. in 1832, 16,581,467 lbs. in 1837, 19,333,597 lbs. in 1840.¹⁰³ In value, the proportion of tea to the total American imports from Canton during these years was 36% for 1822, 45% for 1828, 52% for 1832, 65% for 1837, and 81% for 1840.¹⁰⁴ For these percentages, we can see that in the years following 1814 the

⁹⁹"Reports From, and Minutes of Evidence Taken Before, The Selective Committees of the Houses of Lords and Commons, on the Affairs of the East India Company, London, 1830", in the Edinburg Review, 52 : 281-322 (Jan. 1831); British Parliamentary Papers, 7:5 (1821).

¹⁰⁰Hansard's Debates, 2 Series, Book 21, pp. 1296, 1349, 1365.

¹⁰¹Peter W. Snow, American Consul at Canton, wrote Feb. 15, 1836, that the trade still continued, Despatches, Vol. II.

¹⁰²Estimates by American Consul at Canton, Despatches, Vol. I, passim. Pitkin, p. 209.

¹⁰³Pitkin, pp. 246, 247, 301. The figures for 1790, 3,047,252 lbs.; for 1794, 2,460,914 lbs.; for 1800, 3,797,634 lbs.; for 1805, 5,119,441 lbs.; for 1810, 7,839,457 lbs.

¹⁰⁴Ex. Doc. 35, 27 Cong., 3 sess., p. 10.

relative proportion of teas to other Chinese imports constantly increased. This proportional increase was largely due to the decline in the importation of silks and cottons. The exportation of teas from Canton in American vessels, however, was not only to supply the domestic market, but also to ship to other countries. Before the war of 1812, about a third of the year's imports were re-exported to Europe. After that war the proportion declined to a fourth or even a tenth, largely because such teas were sent directly to foreign countries by the American ships without passing through the markets of the United States.

f. Chinese Silk

Chinese silk was the second important export from China, and was generally exported in a manufactured form. In the following fifteen years after 1820 it was of great importance, several times amounting to more than one-third of the total imports to the American markets from Canton.¹⁰⁵ Later on, however, owing possibly to changing fashions, it declined, until in 1841 it was scarcely eight per cent of the whole.¹⁰⁶ Somewhat similar were the cotton clothes or nankeens, partly because the United States had at that time reached a stage where they were able to produce their own cottons with their newly established domestic cotton industry. Like silk, they suffered a great fall-off before 1839, sinking from \$452,873 in 1829 to \$2,363 in 1840.¹⁰⁷ In point of value, they never exceeded fourteen per cent of the total American imports from Canton, and for the most

¹⁰⁵Pitkin, p. 301; Ex. Doc. 35, 37 Cong., 3 sess., p. 10.

¹⁰⁶Ibid.

¹⁰⁷Ibid.

part were much less. Other articles imported to the United States, including cassin, chinaware, a little sugar, fire screens, fire-crackers, camphor, rhubarb, and fans, were not important and were brought in American vessels not only to the American market, just like tea and silk, but also to many other ports of the world.

g. Clipper Ships.

About 1830, the famous clipper ships began to appear on the route of American-Chinese trade, as a result of the growing demand for a more rapid delivery of tea from Canton. The first one, Ann Mckinn, was built in 1832 by Issac Mckinn of Baltimore and sailed in the China trade for a number of years until 1837. The Akbar, a ship of six hundred and fifty tons, was built at East Boston in 1839 for John M. Forbes. On her first voyage in the China trade, she made the passage from New York to Canton in the record time of one hundred and nine days. She also made a number of rapid trips to and from Canton in the following years. Later on, several smaller but rather swift ships were built for carrying opium. They were owned by John M. Forbes and Russell and Company, and soon controlled the China trade. But they did not attain their supremacy until after 1844, and gradually declined in importance with the opening of the Suez Canal in 1869.¹⁰⁸

h. The Place of the Americans among the Foreigners in the Canton Area

After the war of 1812, the place of the Americans among the foreign merchants in the Canton area (including Macao and Lintin Islands) were superior in influence and importance to all nations except the British. The American factory was one of the

¹⁰⁸Clark, pp. 56-63.

best of the thirteen. Of these American firms who engaged in the trade at Canton, the first one was Shaw and Randall, and the most famous were Milner and Bull, Talbot, Olyphant and Co.; Samuel Russell and Co. - which was succeeded by Russell and Co. in 1823 - Russell, Sturgis, and Company; P.W. Snow, J.R. Sturgis and Co. and Wetmore and Company. They controlled almost all of the American trade in China in those years, although they were not granted a monopoly on the trade by the Government of the United States.

3. The Opium Problem

The most important set of incidents in the history of American commercial relations with China after the War of 1812 cluster around the first Sino-British War, known as the Opium War. It is not necessary to discuss here the cause of it and the intricate relations between China and Great Britain which led to this notorious occasion, which falls rather in the realm of the political history of the Sino-British relations than in that of the history of Sino-American relations. Since the interests of all western people were deeply involved in the struggle, we cannot neglect the events of those years in which American rights were at stake.

As we have mentioned above, during the period of early commercial intercourse, the Chinese were the most nearly self-sufficient of all nations, and the West had little to offer in the way of produce or manufactures with which the Chinese could not easily dispense. Year in and year out Westerners had to rely most heavily upon silver, usually in the form of Spanish dollars, for the purchase of Chinese teas and silks. By the time the Americans entered the Chinese trade, however, one item of import,

opium, which was to play a remarkable part in reducing Western dependence on specie in the commerce of the Occident with China, had already secured promising favor in the Canton market.¹⁰⁹

This commodity was carried to Canton in part by the Portuguese but more and more by "country ships", private English and Indian vessels licensed by the East Indian Company, the chief producer of the drug, to share in trade between India and China.¹¹⁰ Although opium was contraband in China,¹¹¹ it could be disposed of with ease at Macao or Lintin, which served as entrepot for the smugglers. After the close of the monopoly of the East Indian Company in 1834, the traders clustered around the Canton area. The competition was very keen, but the trade at that time was so flourishing and so profitable that the traders were no longer satisfied with the restricting Canton commercial system.

Before 1834 the British Government had already sent several missions to China without success to expand the British-Chinese trade and to establish a formal relations between the two countries.¹¹² With the end of the East India Company's monopoly

¹⁰⁹Stelle, pp. 426-428.

¹¹⁰Morse, International Relations, I, 215; II, 76-77.

¹¹¹An edict of Emperor Yung Cheng prohibited the importation of opium in 1729. This edict was not reiterated until 1799, but that the local authorities at Canton considered opium to have no legal status is evident in the reports of the English supercargoes and American Consuls at Canton that opium was contraband. Ibid., II, 77; "Document Relating to Opium" in Snow's letter of Mar. 27, 1839, Despatches, Vol. I.

¹¹²E.H.Pritchard, The Crucial Year of Early Anglo-Chinese Relations, 1750-1800 (Washington, 1935), pp. 119-185; Sargent, pp. 1-48.

in Canton, Lord Napier was appointed as superintendent of British trade at that port. Almost immediately after his arrival at Macao on July 15, 1834, he became involved in misunderstandings with the Chinese authorities, and as a result, the governor at Canton suspended the British trade on September 2, 1834.¹¹³

Because the Chinese could "not distinguish by personal appearance Englishmen from Americans",¹¹⁴ this suspension practically stopped American trade as well; American traders were detained at Whampoa and commerce was at a standstill. The United States Consul, John Shillaber, wrote the Secretary of State on 25th September:¹¹⁵

"Should the United States remain perfectly neutral and silent during the diplomatic or hostile struggle, that may, probably occur, soon, between England and China."

He doubted

"if on adjusting their difficulties, China would give so advantageous terms to the United States as to England..."

and he suggested that it might be to the interest of the United States to the extent of making demands, accompanied by the display of

"a force upon their coasts ... and a small force would be adequate;"

It is his opinion that

"this government (China) would yield to such power whatever terms it might demand.... The value of the American trade with China is about the same as that of England, not including her Indian trade with China; and with a display of force in this quarter, it is my opinion, the United States may secure advantageous terms with England, but without that display, I fear, she will get the advantage of America."¹¹⁶

¹¹³Ibid.

¹¹⁴John Shillaber to the Secretary of State, April 25, 1834, Despatches, Vol. II.

¹¹⁵Ibid.

¹¹⁶Ibid.

At this time, however, the British Government failed to approve the suggestion of Lord Napier to enforce his demands, and stated that its purpose was not to establish commercial intercourse with China by force, but by conciliatory measures. With these instructions, Lord Napier soon withdrew from Canton; the trade immediately resumed.

The course of trade subsequent to this affair remained comparatively quiet for four years, but it was felt that a fearful storm was coming on. The importation of opium had been declared illegal by the Chinese government since 1729, but it was smuggled in at various places along the Chinese coast in increasing quantities,¹¹⁷ and a large traffic in it centered in the Canton area. Almost all the foreign merchants in this port had been engaged in it; among them there were few American firms at Canton who had not engaged in it from time to time,¹¹⁸ and some had smuggled it extensively.¹¹⁹ Americans participated actively in opium traffic, particularly between 1820, when the fur trade began to languish, and 1830, by which time the importation of textile items was not yet beginning to assume significant proportions.

a. Chinese Attempts to Prohibit Opium

As early as 1821 a letter concerning the prohibition of opium, signed by all the hong merchants at Canton, was sent to Mr. Wilcocks, the American Consul, and requested that all trade

¹¹⁷Foster, pp. 64 - 75. The amounts were: 1790, 4,000 chests; 1830, 17,000 chests; 1838, 35,000 chests.

¹¹⁸Stelle, pp. 425-444; Despatches, Vol. I and II, passim.

¹¹⁹"Testimony of Joshua Bates", Br. Parl. Papers, 6:365 (1830). In 1830, one cargo, probably belonging to Thomas H. Perkins and Co., mostly opium, amounted to 160,000 pounds sterling.

in this drug be ceased.¹²⁰ The Terranova affair had been complicated by the fact that the vessel Emily carried opium. In the period 1824 - 25, opium was imported in American bottoms to the value of \$133,000,¹²¹ and \$275,921 in that of 1836-37.¹²² While the amount of opium handled by the American merchants was considerable when the American traffic in this item was at its peak, it was, however, small in comparison with the total of American imports for these years - \$6,567,969 and \$3,678,696 respectively.¹²³ After 1830 American participation in this traffic began to fall off, partly because of the result of the increasing importance of textiles as import items, and partly because of the efforts of the American missionaries, who had continuously campaigned against the evils of the opium traffic on the ground that it was incompatible with Christianity and that it injured the future prospects of Christianity in China. A considerable portion of the American firms, such as Olyphant and Company, at Canton consistently opposed the traffic on the usual moral grounds and even cooperated with the missionaries in the hope of bringing about its elimination.¹²⁴

By 1836 the rapid growth of the importation of opium by the foreigners began to concern deeply the Court of Peking, partly because of the drain of silver it was causing and mainly

¹²⁰Letter concerning opium signed by all the Hong merchants addressed to Mr. Wilcocks, the American Consul, Nov. 12th, 1821, Despatches, Vol. I.

¹²¹Sen. Doc. 31, 19 Cong., 1 sess., "C".

¹²²Chinese Repository, 6:284-286.

¹²³For the most part, the American traders imported into Canton the inferior Turkey opium. In 1836-37, they imported of Benares opium, 5 chests, valued at \$3,415, and of Turkey opium, 446 piculs, valued at \$272,506. Ibid.

¹²⁴Canton Register, Aug. 21, 1838.

because of the harmful effect of the drug habit upon the Chinese people. Attempts to enforce the law became more frequent. More stringent orders were sent to Canton on the subject, and finally resulted in determined action. In December, 1836, the Chinese authorities at Canton seized some opium which had been sent by Innes, a British trader, and was carried into the port in an American vessel Thomas Perkins, Talbot, consignee. The governor-general ordered that the two foreigners be expelled. Trade was suspended until Talbot, upon investigation, was declared innocent and Innes left Canton. As a warning to foreigners against dealing in opium, the Chinese authorities decided to execute a convicted native opium merchant in front of the American factory; the foreigners regarded this action as an insult and forcibly interfered, and the man was executed at another place. After this affair, the American consul wrote to the Secretary of State:

"The man was an opium dealer and as it appears to be the fixed determination of the Government to put a stop to this alarming traffick ... death is the punishment for those who participate in the trade as indulge in the use of the drug is the reason given by the Government for the selection of the ground in front of the factories for the execution of opium criminals is that all foreigners who are engaged in the traffick of this prohibited articles may witness the dreadful punishment inflicted on the natives for their violation of the law of the Empire...."125

He also reported that the amount of "opium imported the last year (1838) was about 35,000 chests each containing 133 pounds, about 17,000 dollars."126

¹²⁵Snow to Secretary of State, Mar. 6, 1839, Despatches, Vol. II.

¹²⁶Ibid.

b. The Mission of Lin Tse-sü

In order to prohibit the dealing in opium, Lin Tse-sü was appointed in 1838 by the emperor as special commissioner to go to Canton with the task of stopping the entire traffic of the drug. Lin arrived at the city on March 10, 1839, and issued an edict within a few days. He was determined to destroy all the opium then in stock in the Canton area, and to induce the foreigners to give bonds to cease the importation of the drug. On March 10 Lin ordered all the foreign trade to be ceased and all foreign merchants at Canton to be held in their factories as hostages in order to compel them to deliver all opium held by them.¹²⁷ This condition lasted from March 24 to May 5, 1839, when the opium had been given up by the foreigners. Among the surrendered 22,283 chests of drug, of the estimated value of \$8,000,000, 1,540 chests belonged to Americans, but the American consul declared in his reply to Lin's edict that

"the opium which the said (American) merchants lately had in their charge as agents" for British subjects "was surrendered by them as such ... to Charles Elliot Esquire, the Chief Superintendent of British Trade in China to be delivered by him to the Chinese Government."¹²⁸

Commissioner Lin attempted on April 5th to get them to give bond to import no more opium. The hong merchants tried to induce the American consuls, Snow, Mr. Wetmore, and Mr. King to sign such a paper on behalf of the Government of the United States. They refused the former's request because they felt

¹²⁷Ibid., American Consul to the Secretary of State, March 22nd, 1839.

¹²⁸Ibid., P.W. Snow's Reply to Edict, March 29th, 1839.

that the penalties - death for all on board a vessel bringing opium and personal responsibility of the guarantors for all smuggling, the evidence of two coolies being sufficient to condemn - were too heavy. Consul Snow naturally objected to signing it because it would call down on him the "severest censure and punishment from his superiors,"¹²⁹ but he was willing to solicit his government to allow no more vessels to carry opium.¹³⁰ On April 27th, Commodore Read with the United States frigate Columbia anchored off Macao, and May 21st, the John Adams, the other member of the East Indian squadron, arrived. Their presence gave the Americans at Canton confidence.¹³¹ The British refused the hong merchants' request, and left Canton for Hong Kong.

c. The Memorials of American Merchants

It became clear that war between Great Britain and China was almost inevitable. A group of eight American merchants sent a memorial, dated May 25th, 1839, to the Congress of the United States,¹³² setting forth their need for protection, commenting on the nature of their commercial activities, and suggesting lines of policy, some of which were later adopted by their government. After reviewing the situation with respect to the opium trade, and expressing vigorous disapproval on moral and economic grounds, they respectfully advocated governmental action.

¹²⁹Ibid., Snow to Secretary of State, Apr. 19, 1839.

¹³⁰Ibid.

¹³¹Snow to Secretary of State, May 13, 1839, Despatches, Vol.III.

¹³²Memorial of R.B. Forbes and Others to the Congress of the United States, U.S. House Ex. Doc. 40, 26 Cong., 1 sess., pp. 2-4.

"In concert with the Governments of Great Britain, France and Holland, or either of them, in their endeavors to establish commercial relations with this empire upon a safe and honorable footing, such as exists between all friendly powers; and, by direct appeal to the Imperial Government at Peking.... "

They also requested their government to dispatch

"an agent or commissioner... with a sufficient naval force to protect our commerce... and our persons... as well as to secure a participation in any privileges which this Government may hereafter be induced to concede to other powers...."

They suggested as a proper method a direct appeal to the emperor for permission for a minister to reside at Peking, and for a fixed tariff duty, a system of bonding warehouse with regulations for transshipment of goods, the liberty of trading at additional ports in China, compensation for losses in the legal trade during the recent troubles with a guarantee against their recurrence, and punishment of British and American offenders only on proven guilt and by no greater penalty than in the home country. In conclusion, they expressed their "candid conviction" that the appearance of a naval force from the United States and other European Powers upon the Chinese coast

"would, without bloodshed, obtain from this (Chinese) government such acknowledgements and treaties as would not only place our commerce upon a secure footing, but would be mutually beneficial, and greatly increase the extent and importance of our relations with this empire."¹³³

d. The Signing of the Bond

The controversy between the Chinese authorities and the foreigners at Canton continued for several months. Finally a number of American traders and shipmasters signed, on July 3rd, the bond in a milder form. Their trade soon recovered. The British had withdrawn to HongKong and refused to give the bond.

¹³³Ibid.

Thus the American merchants now carried on not only their own, but the British trade, transshipping English cargoes from HongKong to Whampoa. The commerce, however, in the following months was precarious. Some ill-will was naturally felt by the British merchants.

In the middle of September the British tried in vain a blockade of Canton. Later the Chinese authorities found out about the growing transshipments from the British vessels and issued an edict on October 14th threatening to confiscate all such cargoes.¹³⁴ Another edict was issued on October 26th requesting the Americans to give a second bond to import no more opium. The American consul protested vigorously against this request since it asked him to check each American vessel as she entered, and to certify its cargoes were not English products. Instead of this, he suggested that a bond be given by each captain that he had none of the prohibited goods on board. The Chinese authorities accepted this proposal and such a bond was given by the Americans in December.¹³⁵

e. British Blockade

In January, 1840, the British threatened a blockade. It was without success, owing perhaps to the ineffective British naval force, and to the protests of the American consul.¹³⁶ Commerce had become more and more dangerous. Many of the merchants had left China. By the fall of 1840 imports of Chinese goods to the United States had declined over one half.¹³⁷

¹³⁴ Snow to Smith, Jan. 13, 1840, Despatches, Vol. III.

¹³⁵ Ibid.

¹³⁶ Ibid.

¹³⁷ Homans, p. 181.

f. American Public Opinion

At the same time, news of the development of the hostilities between China and Great Britain reaching the United States for the first time had aroused interest in Congress over the status of the Americans at Canton. Various memorials were submitted, both from the American merchants in China and their home offices, urging that some action be taken to protect American commercial interests there. But as tension at Canton mounted, Congress was warned by several old "China hands" against any policy that might lead the Manchu Government to associate the Americans with the British in the impending war. During the course of the Anglo-Chinese struggle, public sympathy in the United States was active in China's behalf. After referring to the memorial from the eight American merchants at Canton, Caleb Cushing prayed in Congress on May 16, 1840, that he might be divinely prevented from entertaining

"the idea of co-operating with the British Government in the purpose - if purpose it have - of upholding the base cupidity and violence, and high-handed infraction of all law, human and divine, which have characterized the operations of the British, individually and collectively, in the seas of China. I disavow all sympathy with those operations. I denounce them most emphatically."¹³⁸

His intemperate attitude was inspired both by the widespread belief in the United States that there was no further cause for the Anglo-Chinese hostilities than the determination of the

¹³⁸Congressional Globe, VIII, No. 17, 26 Cong., 1 sess., March 24, 1840, p. 275. On which Tyler Dennett dryly comments: "Thus began the myth in the United States at a time when the Americans at Canton were riding roughshod over Commissioner Lin's embargo on English trade, and smuggling the English cargoes for the season, both in and out of the port, that the American in China was an angel of light." See his Americans in Eastern Asia, p. 105.

British to force opium upon the Chinese, and by a general feeling of Anglophobia growing out of boundary disputes over Oregon and Maine. What was implicit in his opinion was the fear that unless the American Government closely safeguarded her interests, the British might gain new and exclusive trading privileges that would seriously hamper American commerce with China.

There was a difference of opinion in Congress. John Quincy Adams, then senator of Massachusetts, in the address before the Massachusetts Historical Society in December, 1841, took the ground that Great Britain was entirely justified in the war:

"The fundamental principle of the Chinese Empire is anti-commercial....It admits no obligation to hold commercial intercourse with others. It utterly denies the equality of other nations with itself, and even their independence.... It is a general, but I believe altogether mistaken opinion, that the quarrel is merely for certain chests of opium imported by British merchants into China, and seized by the Chinese government for having been imported contrary to law. This is a mere incident to the dispute; but no more the cause of war, than the throwing overboard of the tea in Boston harbor was the cause of the North American revolution."¹³⁹

He, whose views may well have been influenced by the fact that he had been Secretary of State at the time of the Terranova affair, looked beyond the immediate controversy over opium to the more fundamental question of China's international relations.

g. Hostilities Between China And England

A British blockade of Canton was declared on June 22, 1840, and hostilities began on July 5th. American commerce was interrupted during the period of war between China and Great Britain. In March, 1841, the English had retaken the factories at Canton, a truce had been agreed upon, and trade had been recovered. On March 21st Captain Elliot, the British Trade

¹³⁹Chinese Repository, 9:281 (Mar. 1842).

Superintendent advised all foreigners to withdraw from the city because the new Chinese governor Yih Shan was raising troops and preparing for war. An American ship, the Morrison, was fired on by the Chinese and a small group of American merchants who had stayed behind were captured. Through the hong merchants' help, they were released about two days later. This affair remained unsettled until the arrival of Commodore Kearny, of the U.S. East India squadron, in China waters in the spring of 1842. He at once brought the affair to the attention of the Canton authorities. Refusing to treat through the hong merchants, as former American officers had been compelled to do, he sent his demands for indemnity directly to the Chinese authorities at Canton. The latter explained in replies that the Morrison had been mistaken for a British ship and fired upon because she was without an American ensign, that the merchants had been set free as soon as the error was discovered. A sum of \$10,000 was paid for damage by the hong merchants to the Olyphant and Company, who were the chief sufferers and the owners of the ship. Commodore Kearny used their acceptance of the indemnity to restrain American merchants from further action.¹⁴⁰

4. Commodore Kearny's Demand

This affair, however, revealed a remarkable change in the attitude of the Chinese officials towards foreigners. Four years before, no foreign warship was allowed to ply along the China coast. But now, the frigate Constellation, under Commodore Kearny, who had come to protect the interests of Americans,¹⁴¹

¹⁴⁰Kearny to Sec. of Navy, Apr. 1, 1842, Sen. Doc. 139, 29 Cong., 1 sess., p. 9ff.

¹⁴¹Ibid.

before the end of the first Sino-British war, went up the Pearl River to Whampoa. She was the first American warship to anchor in the inner waters and met with only the mildest protest. Direct correspondence was carried on with the governor, not through the hong merchants, as had always been the custom. Moreover, some Chinese officers, including an admiral, made several unprecedented visits to the American warship.¹⁴² One of Kearny's first actions was to announce through the American vice-consul at Canton, that the United States would not countenance

"the smuggling of opium on the coast under the American flag in violation of the laws of China."¹⁴³

This was a genuine action. With this and his other relations with the Chinese authorities at Canton as a favorable preliminary, he paved the way for the first treaty between the United States and China.

In the meantime, the first Sino-British treaty was signed at Nanking in August, 1842, and changed revolutionarily the foreign relations of China. The old China trade period had ended with the abolition of the co-hong organization, the establishment of a regular tariff and port regulations and the opening of four new ports (Foochow, Amoy, Ningpo and Shanghai), besides Canton. The treaty between the United States and China was not signed until nearly two years later, but for all purposes of commerce the privileges granted by that of Nanking were as open to the Americans and all other nations as to the English.

¹⁴²Ibid., May 19, 1842.

¹⁴³Chinese Repository, 11.239 (April 1842).

Upon learning that the negotiation of a tariff and trade agreement was being undertaken between China and Great Britain, Commodore Kearny wrote to Chi-kung (Kekung), the viceroy of Kwangtung and Kwangsi, on October 8th, 1842, that he hoped American interests would not be neglected and that the Americans would "be placed upon the same footing as the merchants of the nation most favoured."¹⁴⁴ A few days later he received a reassuring reply which stated that the Americans had "been better satisfied with their trade than any other nation...", and noted that they "have been respectively observant of the laws." This fact, explained Kekung, "the august Emperor has clearly recognized, and I, the governor, also well knew." How then, declared Kekung, could he fail to show favor to them. "Decidedly", he pledged, "it shall not be permitted that the American merchants shall come to have a dry stick."¹⁴⁵ He persuaded Kearny to wait till the arrival of the Special Imperial Commissioner at Canton, "then the matter will be taken up together and decided upon."¹⁴⁶ At first Kekung seemed to think that the whole problem of the relations of these two nations could be simply settled by an agreement between the commissioner and the commodore, and when Kearny told him that the United States would have to send a special "high officer" to negotiate a formal treaty as that of Nanking, Kekung tried to dissuade him.

¹⁴⁴Sen. Ex. Doc. 139, 29 Cong., 1 sess., p. 21.

¹⁴⁵That is, their interests should be attended to. Sen. Doc. 139, 29 Cong., 1 sess., pp. 21-22.

¹⁴⁶Ch'ou-pan i-wu shih-mo (The complete account of our management of barbarian affairs) (Peiping, 1930), Series I, Bk. LXLII, p. 17, (Hereafter cited as YWSM).

The decision on the opening of the other four ports to American trade could not be made until the arrival of the commissioner. He felt certain, however, that the new regulations on Canton trade would equally apply to all nations.¹⁴⁷

Early in 1843 the Commodore therefore seized the opportunity to state that the United States would demand for her merchants whatever was granted by the emperor "to the traders from other countries". The formal incorporation of the principle which motivated Chinese, English and Americans is to be found in Article viii of the Sino-British Treaty of the Bogue of October 8, 1843.

"... should the emperor hereafter, from any cause whatever, be pleased to grant additional privileges or immunities to any of the Subjects and Citizens of Such Foreign Countries, the same privileges and immunities will be extended to and enjoyed by British subjects...."

After warning his countrymen not to trade in opium, Kearny left Chinese waters.

5. The Recovery of the Trade

Because of the disturbance of the intermittent warfare from 1839 to 1842 at the mouth of the Pearl River, American trade with China suffered a noticeable decrease during this period. For a time the river was blockaded by English warships, and the freight charge for conveying cargoes from the coast to Canton was higher than that from the United States to China. The Americans, however, made large profits in transporting goods between the two places. With the close of the war in 1843, Sino-American trade resumed its formal course. In 1843, when the fiscal year

¹⁴⁷Sen. Doc. 139, 29 Cong., 1 sess., p. 35.

consisted of only nine months, the total American imports from China amounted to \$4,385,566 in value, and exports to China to \$2,418,958, while the corresponding figures for the previous year (of twelve months) were \$4,934,645 and \$1,444,397.

6. The Mission of Caleb Cushing

a. Revulsion of Feeling in The United States

Over the past fifty or sixty years, the American people had developed a new interest in the Celestial Kingdom. Although their knowledge of her had been gradually increasing, China was still regarded as a separate world, the embodiment of all that was remote. Opinions expressing admiration and respect for China had frequently appeared in the newspapers and magazines. A hope had been expressed by the American Philosophical Society that the United States would in the fullness of time come to possess much likeness to the Middle Kingdom in wealth, industry and resources, for

"could we be so fortunate as to introduce the industry of the Chinese, their arts of living, and improvements in husbandry ... America might become in time as populous as China."¹⁴⁸

Thomas Jefferson had upheld her non-intercourse with other nations as ideal.¹⁴⁹ But China's defeat in the Opium War led to a sudden revulsion of feeling in the United States. In contrast to their old ideas of her greatness, the impression spread through the American continent that China was decadent, dying, and fallen from her glorious past.¹⁵⁰

¹⁴⁸E.P. Oberholtzer, Robert Morris (N.Y., 1903), p. 223.

¹⁴⁹Thomas Jefferson to Hogendrop, Oct. 13, 1785, Writings of Thomas Jefferson, ed. A.A. Lipscomb (Washington, 1904), V, 183.

¹⁵⁰Letters of Cushing in Sen. Doc. 58 and 67, 28 Cong., 2 sess., p. 31, passim.

The war between Great Britain and China had attracted much attention in the United States, since it so deeply concerned American trade and missions. Although the thought of crowding the devil opium on another nation, and even forcing her to accept any trade she did not want, antagonized the independent American spirit, there was a curiously inconsistent enthusiasm over the prospect of an open China and the opportunities it would offer. With the progress of the war, there came the belief that the United States must put her commerce with China on a firmer basis, that she must dispatch a diplomatic representative as well as a consul to China, and obtain treaty recognition of her rights. It had long been suggested that the consul should be made independent of private trade and be given more authority.¹⁵¹ During the war it was felt by persons acquainted with the situation that a mere change in the consular establishment was not enough, that the United States must obtain for herself those underlying privileges for which the war was being waged - greater freedom of trade and residence, greater security for the foreigners and a mutual agreement as to tariff and port regulations, all based on direct intercourse between officials of the two nations and on a treaty whose fundamental principle should be mutual equality.¹⁵² When the administration came to understand the situation, it became convinced that when Great Britain should have finished the war the United States must do what she could to obtain by peaceful means a just share of its result.

¹⁵¹Despatches, Vol. I. Letters, without date, signed by Pekins & Co., I.S. Wilcocks, P. Ammidon, J. Hart, A. Mather, W.F. Magee, etc.

¹⁵²Ex. Doc. 40, 26 Cong., 1 sess., p. 368.
Ex. Doc. 170, 26 Cong., 1 sess., p. 781.

The news of the conclusion of the treaty of Nanking led the United States Government to a decision. On December 27th, 1842, Caleb Cushing wrote President Tyler submitting some suggestions upon the immediate interests in American foreign relations as follows;

"The British Government has succeeded in forcing China to admit British vessels into five ports in the Chinese Empire and to cede to England in perpetual sovereignty a commercial depot and fortified port on the coast of China.

"Is not the present, therefore, an urgent occasion for despatching an authorized agent of the United States to China, with instructions to make commercial arrangements in behalf of the United States?

"I know it is said that England does not expect to establish a resident diplomatic mission in China. Nor do I propose this. All that I propose now is a special mission, public, yet of such an informal character as to be able to treat either with the Imperial Court directly, or, if that be not permitted, then with any of the provincial authorities.

"I have information from Canton that the Chinese are pre-disposed to deal kindly with us, the more so as we only can, by the extent of our commerce, act in counterpoise to that of England, and thus save the Chinese from that which would be extremely inconvenient to them, viz, the condition of being an exclusive monopoly in the hands of England "153

He thought that Congress could not fail to support the president on these measures. John Quincy Adams expressed the opinion that such a mission would be inexpedient, but did favor the sending of "an intelligent and discreet and spirited informal commissioner", with full power to open communication with the Chinese Empire.¹⁵⁴

As a result of pressure from the merchants engaged in the China trade, who were becoming extremely articulate about

¹⁵³C.M. Fuess, The Life of Caleb Cushing (New York, 1923), I, 407.

¹⁵⁴Memoirs of John Quincy Adams, comprising his diary from 1795-1848, edited Charles Francis Adams (Philadelphia, 1876), X, 444-445.

the protection of their profitable interests, President Tyler sent a message to Congress on December 31st, 1842, stating that the American trade had reached as much as \$9,000,000 annually and would doubtless be greatly increased if the new Chinese ports could also be opened to American commerce as they had been opened to the British.

"Being of the opinion," said he in the message, "that the commercial interests of the United States connected with China require at the present time a degree of vigilance such as there is no agent of the government on the spot to bestow, I recommend to Congress to make appropriation for the compensation of a commissioner to reside in China, to exercise a watchful care over the concerns of American citizens, and for the protection of their persons and property, empowered to hold intercourse with the legal authorities and ready, under instructions from his government, should such instructions become necessary and proper hereafter, to address himself to the high functionaries of the Empire, or through them to the Emperor himself."¹⁵⁵

b. The Purpose of Caleb Cushing's Mission

In March 1843, a bill providing the necessary appropriation passed the Congress. The President appointed Caleb Cushing as Minister Plenipotentiary to China. Cushing accepted the offer and was provided with two appointments; one as a Commissioner, authorized to treat with the governors of provinces and cities; the other as Envoy Extraordinary and Minister Plenipotentiary, to be used at the Imperial Court of Peking.¹⁵⁶ He was given a letter from President Tyler to the Chinese emperor, which he was to deliver in person or to send by Chinese authorities if assurances were given of a friendly reply signed

¹⁵⁵H.Ex.Doc. 35, 27 Cong., 3 sess, p. 1.

¹⁵⁶For details of the appointment of Caleb Cushing, please see Fuess, pp. 397-454, "The Mission to China".

by the Emperor himself. The letter reads in part as follows:

"The Chinese love to trade with our people, and to sell them tea and silk, for which our people pay silver, and sometimes other articles. But if the Chinese and Americans will trade, there should be rules, so that they shall not break your laws nor our laws. Our minister, Caleb Cushing, is authorized to make a treaty to regulate trade. Let it be just. Let there be no unfair advantage to either side. Let the people trade, not only at Canton, but also at Amoy, Ningpo, Shanghai, Fuchow, and all such places as may offer profitable exchanges both to China and the United States, provided they do not break your laws nor our laws. We shall not take the part of evildoers. We shall not uphold them that break your laws. Therefore we doubt not that you will be pleased that our minister of peace, with this letter in his hand, shall come to Peking, and there deliver it; and that your great officers will, by your order, make a treaty with him to regulate affairs of trade...so that nothing may happen to disturb the peace between China and America."¹⁵⁷

In the letter of instructions signed by Secretary of State Webster, Cushing's main object in China was, by the negotiation of a treaty, to ensure permanently for American traders in that country as good treatment as that meted out to other foreign nationals. He was instructed to make clear that the United States would insist upon equality in intercourse, and that he was not a "tribute-bearer". After all, the mission would be only friendly and commercial in its objects; and he dealt at some length upon the already considerable commerce and the possibility of its enlargement. And last of all, he was to insist on the principle of the most-favored-nation treatment. The instructions concluded:

"Finally, you will signify, in decided terms and a most positive manner, that the Government of the United States would find it impossible to remain on terms of friendship and regard with the Emperor, if great privileges or commercial facilities should be allowed to the subjects of any other government than should be granted to citizens of the United States."¹⁵⁸

¹⁵⁷Sen. Doc. 138, 28 Cong., 2 sess., p. 1.

¹⁵⁸Webster to Cushing, May 8, 1843, Sen. Doc. 138, 28 Cong., 2 sess., p. 8.

These instructions may be properly considered as the first official American declaration of a China policy.

c. Negotiations of the First American-Chinese Treaty

Caleb Cushing left the United States in the summer of 1843 with four warships, the Brandywine, the St. Louis, the Missouri and the Perry. They amounted to a total of more than two hundred guns, and there is no doubt but that they were intended to impress on China that the United States was also a powerful country. Before his arrival Paul S. Forbes, the United States Consul at Canton, had reported Cushing's special mission to the Chinese Imperial Commissioner. The latter's reply was opposed to Cushing's trip to the Court of Peking, saying that his commission could be fulfilled at Canton.¹⁵⁹

Cushing reached Macao on February 24th, 1844. His arrival was regarded with considerable misgiving by many of the American traders at Canton, who were afraid that Cushing might inadvertently disturb the tolerably satisfactory relations subsisting between them and the Chinese. They were, moreover, convinced that he could do nothing to improve these relations or obtain privileges which they did not already enjoy. Cushing ignored the opinion and sent a letter on the 27th to Ching, the acting viceroy of the provinces of Kwangtung and Kwangsi, saying that he was on his way to Peking to deliver the President's letter to the Emperor. Ching, in his reply on March 19th, strongly objected to Cushing's proceeding to the capital, and said that a treaty was unnecessary.¹⁶⁰ Thus, a correspondence

¹⁵⁹Paul S. Forbes' Letter, Oct. 22, 1843, Despatches, Vol. III.

¹⁶⁰Sen. Doc. 67, 28 Cong., 2 sess., p. 2.

between the two began. By threatening to go to the north, Cushing urged the Chinese to appoint a Commissioner to discuss the matter of a treaty. In the replies, Ching insisted that a treaty was not at all necessary, since commerce between the two countries had been carried on so long and so successfully without one. Further, he told Cushing that an imperial edict had already been issued ordering him to be stopped from going to Peking.¹⁶¹ Cushing finally abandoned his vigorous insistence on this point. In fact, he was secretly not anxious to go to the north. He preferred to sign a treaty at Canton rather than to jeopardize the purpose of his commission by going to the capital. He gave the reasons for his mission substantially as follows:

"That the interests of the United States in China were 'commercial, not political', and that the employment of force or of a show of force in order to reach the capital would have involved a sacrifice of the primary purpose of his mission."¹⁶²

On June 9th Cushing received a letter from Kiying, the newly appointed viceroy of Kwangtung and Kwangsi, and Imperial High Commissioner with full powers, advising the former of his arrival at Canton. On July 17th Kiying took up his residence in a temple in the village of Wanghia (Wang Hiya). The negotiations began on July 19th. On the 21st Cushing sent to Kiying a draft for a treaty including the following principles: that the two nations were to treat with each other on a friendly and peaceful basis of equality; that they did not desire any perfect reciprocity; that

¹⁶¹For details of the correspondence, please see Sen. Doc. 87, 28 Cong., 2 sess., pp. 5, 7, 10, 12; Sen. Doc. 67, 28 Cong., 2 sess., pp. 13, 16, 17, 20.

¹⁶²Cushing to Upshur, May 27, 1844, to Calhoun, July 15, 1844, Sen. Doc. 67, 28 Cong., 2 sess., pp. 31, 58.

the Americans would not desire to possess any Chinese territory; and that in the draft the interests of both sides had been taken into account. Negotiations proceeded with harmony. This draft was discussed and modified until both parts were satisfied. On July 3rd the formal treaty was finished and signed. It was approved by Congress without opposition and ratifications were exchanged at Canton on December 31st, 1845.

d. The Characters of the Treaty of Wanghia

The main purpose of Cushing's mission was to secure a treaty to protect Americans in their commerce with China. This he accomplished. Cushing's treaty contains thirty-four articles, including the things stipulated by the British one,¹⁶³ except the cession of HongKong, an indemnity, the release of prisoners of war and the evacuation of the British troops from the Chinese ports. On July 5th, 1844, Cushing wrote to John Nelson enumerating sixteen important points in which his treaty contained provisions not embraced in the British treaty.¹⁶⁴ They are as follows: the tariff was amended in favor of American cargoes, such as ginseng, contraband articles, and matters of government monopoly, and could be changed only by mutual agreement; American goods were allowed to be shipped freely from one port to another without paying double duty (a new provision); duties were to be paid only

¹⁶³For the full text of the treaty of Nanking, please see Lewis Hertslet, A Complete Collection of the Treaties and Reciprocal Regulations at Present Subsisting between Great Britain and Foreign Powers, etc. (London, 1845), VI, 221-225; Sargent, pp. 83-5. For the Treaty of Wanghia, see U.S. Statutes at Large, 8:592-605, and Paul H. Clyde, selected, United States Policy Toward China, Diplomatic and Public Documents 1839-1939 (Durham, N.C., 1940), pp. 13-21.

¹⁶⁴Sen. Doc. 67, 28 Cong., 2 sess., p. 77.

as the cargo was landed, and a vessel remaining in a port for two days (48 hours) without breaking bulk was free from tonnage and other duties. By the Treaty of Nanking, the British consuls were made responsible for the payment of duties, but in the treaty of Wanghia this was avoided by stipulating that duties should be paid in cash; American merchants and citizens were to have the privilege of residing at all open ports and of renting places for business, under the protection of the Chinese Government from insult and injury. The American bottoms could ply freely in the open ports. On the opium question there is a sharp difference between the British treaty and that of the United States. The former did not so much as mention the subject as did the latter, in which any American citizen dealing in the opium or other contraband trade was to be treated by the Chinese authorities without countenance or protection from the Government of the United States. The latter was pledged to take steps to keep her ensign from being used by other nationals to cover illegal trade.¹⁶⁵ One of the most important of the particulars of the treaty was that relating to what is known in international law as "extra territoriality", one of the distinct contributions of this treaty to the later diplomacy of East Asia. It increased the difficulty of Chinese action against the opium

¹⁶⁵For other matters, please see the full text of Cushing's letter to Nelson; the text of the treaty; Dennett, pp.158-170; Foster, pp. 87-90; Latourette, pp. 140-142; Morse, International Relations, I, 326-330.

and contraband trade of foreigners.¹⁶⁶ In sum, the United States by her peaceful but firm policy, with no desire for Chinese territory, secured greater prestige and concessions than the British. The old co-hong organization was to be abolished; the Chinese Government opened Canton, Foochow, Amoy, Ningpo and Shanghai as the five trade ports where the Americans could reside for the purposes of commerce; no prohibitions were to be placed on trade in these ports; consuls were to be allowed to reside in these ports to protect their citizens and official correspondence between the two nations was to be in the form used among equals; a uniform and moderate tariff on imports and exports was to be imposed, the customs duties for American commodities were to be established according to a fixed rate, after the payment of which the cargo could be transported to any spot in the interior without further tax; and the most-favored-nation treatment clause was naturally inserted. Article II of the treaty provides the safeguard sought by Mr. Cushing:

"Citizens of the United States resorting to China for the purpose of commerce will pay the duties of import and export prescribed by the tariff....They shall in no case be subject to other or higher duties than are or shall be required of the people of any other nation whatever....And if additional advantages or privileges of whatever description be ceded hereafter by China to any other nation, the United States and the citizens thereof shall be entitled thereupon to a complete, equal, and impartial participation in the same."¹⁶⁷

¹⁶⁶For the reasons which led Cushing to introduce it, please see his letter to Calhoun, Sept. 29th, 1844, in House Ex. Doc. 69, 28 Cong., 2 sess., p. 5; Sen. Doc. 58, 28 Cong., 2 sess., p. 4; Foster, pp. 87-88, and other books mentioned above. For details of extraterritoriality, please see Morse, I, pp. 110, 329, 425, 372, 481-482, 488, 564; Foster, pp. 87-88, 92; Dennett, pp. 84, 87ff, 100, 162ff.; Dulles, China and America, pp. 30-31; Fairbank, Trade and Diplomacy on the China Coast, p. 208.

¹⁶⁷Hunter Miller (ed.), Treaties and Other International Acts of the United States of America (Washington, D.C., 1931), pp. 559-560.

This safeguarding principle has been preserved in all subsequent Sino-American agreements. It also became the model for the later treaties signed between China and other nations and was the key treaty until 1858. Of significance was the stipulation that the treaty be revised after the lapse of twelve years, should "modification appear to be requisite in those parts which relate to commerce and navigation."

e. The Principles of the Most-Favored-Nation Treatment

Mr. Cushing was convinced that he owed his success to the British. In his dispatch he stated:¹⁶⁸

"I ascribe all possible honor to the ability displayed by Sir Henry Pottinger in China, and to the success which attended his negotiations; and I recognize the debt of gratitude which the United States and all other nations owe to England, for what she has accomplished in China. From all this much benefit has accrued to the United States."

In fact, it was that the Chinese themselves desired to grant the most-favored-nation treatment of their own volition for the safeguarding of China's interests, since they realized that the establishment of equal trading privileges for all might serve to restrain other nations from resorting to the employment of force to obtain concessions. Hence, in a very real sense, it was the Chinese themselves who laid down the principle of the most-favored-nation and the open door to China, rather than the statement of any Western nations.¹⁶⁹

¹⁶⁸Sen. Ex. Doc. 67, 28 Cong., 2 sess., pp. 38, 77.

¹⁶⁹T.F. Tsiang, "The Extension of Equal Commercial Privileges to Other Nations than the British After the Treaty of Nankin," Chinese Social and Political Science Review, 15: 422-444 (1931). The article is entirely based on YWSM, Series 1, Bks. LXIII, LXIV, LXV, LXVII, LXVIII, LXIX. Also see Earl Pritchard, "The Origins of the Most-Favored-Nation and the Open Door Policies in China," Far Eastern Quarterly, 1: 161-173 (Feb. 1942).

f. The End of the Old China Trade Period

With the conclusion of the Treaty of Wanghia, the old and non-treaty period of Canton trade had ended. The commercial intercourse between China and the United States had fully entered a new era. The treaty for the first time put the trade relations between the two nations on a firm and satisfactory basis, and placed the American merchants in the then open ports under the protection of the local authorities and their own officials; it thus satisfied the "primary purpose" of Cushing's mission. The treaty marks a transition, the close of the preparatory period, and the beginning of official and equal relations between the oldest empire and the new republic nation. However, the struggle between China and the West had just started.

CHAPTER III

FROM THE TREATY OF WANGHIA TO THE TREATY OF TIENTSIN (1844-1860)

A. THE FORMAL TREATY INTERCOURSE

The Treaty of Wanghia marked the beginning of a new period. Although relations had existed between China and the United States for more than a century, it was not until the conclusion of the treaty that a beginning was made in formal treaty intercourse. Little by little, the Chinese yielded to Western influences, and treated other nations on a basis of equality. Shortly after the successful termination of the American negotiations, other Europeans consummated similar agreements, thus bringing all the great Western nations into close relationship with China.

1. The Progress of the American Influence on the Pacific

After the signing of the Treaty of Wanghia, Cushing returned to the United States in 1845. At that time, he, like many others, probably did not foresee the swift-coming events which a few years later contributed to the necessity of revising the treaty and enforcing its provisions more rigidly. There were no railways to the Pacific coast. California was not yet an American state. But, in the quarter century after 1844, the influence of the Americans on the Pacific was progressing. The problems of the territories on the Pacific coast were becoming critical. In June 1846, the Oregon question was settled by

treaty with Great Britain;¹⁷⁰ this ended the joint occupation by the two nations of territory lying west of the Rocky Mountains, which had been instituted by the convention of 1818. The United States now had a clear claim to the territory which was later to be included in the States of Oregon and Washington. By the Treaty of Guadalupe Hidalgo on February 2, 1848,¹⁷¹ the California question was settled and it greatly increased the frontier of the United States on the Pacific. As early as 1825 Congress had displayed mild interest in the idea of cutting a passage through the Isthmus of Panama. American interest in an interoceanic route was roused in particular by the discovery of gold in California, and the need for a shorter way to the Pacific coast. In June 1846, the United States concluded a treaty with New Granada (later Columbia) for transit rights of all kinds across the available route with that country, "from one sea to the other".¹⁷² In 1855 American capitalists built a railroad to connect the two coasts of Panama. To these elements the possession of the West Coast entitled a certain geographical advantage because of its relative proximity to the great potential markets of China.

While Americans were expanding through Oregon and California to the Pacific and seeking a canal route across Central America, a line of American steamers were nearly ready to run from Panama to Oregon, and they were preparing to shorten

¹⁷⁰William H. Malloy (compiler) Treaties, Convention, International Acts, Protocols and Agreements between the United States and Other Powers, 1776-1909 (Washington, 1910), I, 656-68.

¹⁷¹Ibid., I, 1107-21.

¹⁷²Ibid., I, 302-14.

the distance to the Far East, and increase intercourse, by a transcontinental railway, and a regular, swift line of steamers between California and China. American interests on the Pacific and the Eastern Asia had "attained great magnitude". By January 1846, Americans had 736 vessels (233,149 tons), and 19,560 seamen engaged in the whale fisheries. Their annual product was about \$10,000,000 in value and they spent about \$3,000,000 in foreign ports, annually, for refreshments and repairs. Besides this and the commerce with China, there also were two hundred vessels (75,000 tons) and 5,000 seamen engaged in the Pacific trade. These considerations induced the House Committee on Naval Affairs to urge the building of a naval depot on the California coast, as a part of the proposed plans for facilitating intercourse between the Mississippi River and China. The Committee in his report said: "Our commerce with China possesses the elements of indefinite expansion."¹⁷³

Under the new Chinese policy, which had opened five ports to trade on a treaty basis, and with the most irksome of the restrictions now removed, trading activities increased considerably. American commerce seemed to have received an impulse from the treaties. The arrival of American vessels in 1848 was reported as follows: sixty-seven at Canton, twenty at Shanghai, and eight at Amoy, standing next only to the English. It is seen that Canton still held the bulk of the trade as against Shanghai. But the latter rapidly became the most important commercial center for foreigners and Canton soon lost its former importance. Considerable trading activities also developed in Amoy, but

¹⁷³House Report 596, 30 Cong., 1 sess., Vol. III, May 4, 1848, p. 37.

Ningpo and Foochow failed to develop as important centers for foreign commerce.

In the meantime, with the settlement of the Oregon Question and the acquisition of California, the United States became more vigilant in guarding American interests in the Pacific, and more determined to break down Oriental exclusiveness. Commander Glynn of the United States East Indian Squadron, on returning to New York, was enthusiastic in his desire to secure some arrangement which would divert the commerce of China from foreign channels into the bosom of the United States. On February 24, 1851, he wrote Howland and Aspinwal that he had found a strong interest on both sides of the Pacific in favor of establishing a line of steamers between the American west coast and China; and he suggested that Shanghai should be the terminus and that an effort should be made to secure coal from Formosa and Japan.¹⁷⁴ His suggestion was not fulfilled until 1867. John F. Kennedy, Secretary of the Navy, suggested that the Chinese might be induced to receive American tobacco as a substitute for poisonous opium.¹⁷⁵

After Commodore Biddle's exchange of the ratified treaty, Alexander H. Everett was appointed commissioner to China. He reached Canton in October, 1846, and died there in June, 1847. Under his successor, John W. Davis of Indiana, peaceful relations were installed at the open ports. The American diplomatic representative normally resided in the foreign settlement outside the walls of Canton until the opening of Peking to the

¹⁷⁴Sen. Ex. Doc. 59, 32 Cong., 1 sess., p. 59.

¹⁷⁵Sen. Ex. Doc. 49, 32 Cong., 2 sess., p. 2ff.

foreign representatives in 1860. The Chinese imperial government delegated a high commissioner to reside at Canton, with whom the foreign representatives were to hold diplomatic intercourse. The rising commercial importance of Shanghai led to frequent visits by them to that port. In 1848, Davis managed to obtain an interview with the Imperial Commissioner at Canton. He also organized a judicial system in China for American citizens.¹⁷⁶

2. The Policy of the Old American Traders

Prior to the first treaty settlement, the United States and other nations with China interests had been almost wholly guided by commercial considerations. As a result of the British occupation of Hong Kong, the China policies of the interested nations now became deeply influenced by political considerations. In possession of Hong Kong, Great Britain enjoyed a distinct advantage over her rivals who, in fact, became preoccupied lest this outpost might become a springboard for the transformation of China into another India. Unable and unwilling to rely on the employment of force or the threat to use it like Great Britain, the United States was compelled to depend entirely on the utilization of skillful diplomacy for the protection and enhancement of American interests. Many Americans actually feared that China might be dismembered by Great Britain, either alone or in concert with France and other aggressive European powers, with the result that American merchants would be subjected to ruinous discrimination and perhaps even outright exclusion in the dismembered areas. The Department of State consequently

¹⁷⁶Sen. Ex. Doc. 72, 31 Cong., 1 sess., p. 8.

began to espouse the policy which had been developed by the old American traders, namely the preservation of the territorial integrity of China and equal trading privileges for the nationals of every country. At this time, although Americans were interested especially in the relations and policies of the great colonizing nations of Europe, they also felt that relations with the East would constitute the most important factor in the achievements of the future. The vast changes in conditions brought great opportunities. The United States, therefore, felt as much concern in the affairs of the East as did any nation in Europe.

B. THE MISSION OF HUMPHREY MARSHALL

1. A Period of Political Confusion

In 1852, President Fillmore appointed Humphrey Marshall as Commissioner to China. The latter accepted and arrived in China at the beginning of 1853, with a letter to the Chinese emperor, and instructions to seek more satisfactory regulations of intercourse.¹⁷⁷

The tenure of Marshall, though extending for little more than a year, is possessed of both interest and importance. The year which he spent in China was one of great political confusion. From 1850 on, there was constant disturbance in China. The Celestial Empire was ravaged by the Taiping and other rebellions. Survival of the Manchu imperial house and the unity of its possessions were seriously threatened. The imperial

¹⁷⁷Dept. of State, China Instructions, Vol. I, August 11, 1852.

officials were too busy to attend to foreign affairs. Marshall could obtain no opportunity to request an interview with a properly authorized plenipotentiary.¹⁷⁸ In his letter to the Secretary of State, he gave vent to his indignation at being embarrassed in his usefulness.¹⁷⁹ He then went to Shanghai to see E-liang, the Viceroy and Governor General of the Liang Kiang (Kiang-nan and Kiang-si) Provinces, who received him in person on July 7, and promised to submit to the Emperor the President's letter. But Marshall's request to be received at the Peking court to conduct American diplomatic relations there was not granted. At Canton, all of his applications were also refused.¹⁸⁰

2. Marshall's Opinion on Treaty Ports

Marshall wrote in his dispatch about the conditions he observed at the principal treaty ports, especially Canton and Shanghai, as follows:

"The rapid growth of the American trade at Shanghai will arrest attention, though it yet remains at a figure far inferior to the British trade to the same port. Every year, however, diminishes the difference. In the brief space of nine years this city has become the principal depot in China for American manufacturers, and the chief exporting point for the green teas of commerce. The monopoly of foreign trade, so long enjoyed by Canton, attracted to the vicinity of that city the manufacturers of silk, and time will be required to transfer the market for silks to Shanghai. As this is the natural outlet from the silk-growing district of China, no doubt is entertained that, so soon as the manufacturers of Hangchow and Suchow find the advantage of this market they will concentrate the trade here."¹⁸¹

¹⁷⁸House Ex. Doc. 123, 33 Cong., 1 sess., p. 13.

¹⁷⁹Diplomatic Despatches, No. 3, Feb. 7, 1853, House Ex. Doc. 123, 33 Cong., 1 sess., p. 13. (Hereafter cited as Dipl. Des.).

¹⁸⁰Ibid., pp. 189, 240, 248, Dipl. Des., Nos. 21, 27, 28, July 6, Aug. 26 and Aug. 30, 1853.

¹⁸¹House Ex. Doc. 123, 33 Cong., 1 sess. (734), p. 99.

With some seventy-one American ships visiting Shanghai in a single year, 1853, Marshall was convinced that it was "destined to become the greatest city of Eastern Asia, and most intimately of all connected with American." Although the Treaty of Wanghia had outlawed the traffic in opium, a smuggling trade in this drug had arisen with the connivance of the Chinese authorities at the open ports; there was widespread graft and corruption in the collection of duties on legitimate imports, and no adequate provisions had been made for maintaining order among American seamen. The latter problem was the responsibility of the United States Government under the extraterritorial terms of the treaty, but the disgraceful brawls and drunken rioting in the Shanghai foreign community had become notorious. It was true that the Chinese authorities were either unable or unwilling to carry out their obligations under the treaties, but the attitude of the Americans, as well as other foreigners, revealed little of the spirit of cooperation that could alone have made the new treaty arrangement workable.

3. Americans' Attitude Toward Taiping Rebellion

The year 1853 was one of the most critical in the Chinese Empire's international relations down to 1898. Beginning in 1850, the Taiping Rebellion had by 1853 swept over and occupied the provinces south of the Yangtze River, except the open ports; had captured Nanking, and the Chinese city of Shanghai, had crossed the great river, threatening Tientsin, and even Peking was in danger. Thus, the rebellion covered a large part of the empire. Its suppression was interfered with by the friction between the imperial court at Peking and foreign powers.

The rebel forces at times came near to obtaining the active support of foreigners. At first Americans and other foreigners were attracted by the news of the conversion of millions, under the Taiping leader Hung Hsiu-ch'uan, to a form of Protestant Christianity, and by the declared intention of those millions to subvert the corrupt and arrogant government of the Manchus, and to substitute for it a purely Chinese administration. The governments of these countries hoped and expected that from the changes occurring, opportunities for greater and more unrestricted intercourse would follow. These optimistic opinions were reflected in President Pierce's annual message to Congress.

"The condition of China at this time renders it probable that some important changes will occur in that vast empire which will lead a more unrestricted intercourse with it. The commissioner to that country who has been recently appointed is instructed to avail himself of all occasions to open and enter our commercial relations...."182

Among Americans in China whose interest was trade and commerce, the conversion of the Chinese to Christianity did not seem so important, but what appeared to be the impossibility of working with the Manchu Government made them welcome the prospect of any other regime replacing it. Early in May the Chinese officials at Shanghai requested Commodore Perry of the U.S. East India Squadron to help suppress the rebellion. Although Mr. Humphrey Marshall had himself predicted the overthrow of the Manchus, he soon reached the conclusion that such an event would be wholly inimical to American interests. He was prepared to run counter to general foreign opinion in China, and also to

182President Pierce's first annual message, December 5, 1853, in J.D. Richardson, A Compilation of the Message and Papers of the President, 1789-1897 (Washington, 1900), V, 201.

American opinion at home, in urging support of the Imperial court. He believed it to be impotent, ignorant and conceited, but in his opinion the Taipings were no better. They had no real idea whatsoever of the functions of government. The consequence of their triumph would be internal chaos.¹⁸³

4. Marshall's Fear of the Dissolution of China

The American commissioner reported at the end of May to the Secretary of State his apprehension that

"Great Britain may obtain the opening of a western Chinese port (inland) from the new emperor at Nanking, and the right to navigate the Yangtzekiang "¹⁸⁴

He feared that Great Britain might assume a protectorate over the Taipings. In the meantime, rumors to the effect that the imperial court at Peking was requesting aid from Russia led to fears that the latter might develop a protectorate as far south as the Yellow or the Yangtze River. In general, he feared dissolution of the Chinese Empire and, in particular, the establishment of British and Russian protectorates in the southern and northern sections of the country, respectively. Adhering to the United States policy of avoiding intervention in China's domestic affairs, but anxious to avail himself of every opportunity presented for the opening of China to increased intercourse, Mr. Marshall felt profoundly the need of a policy which should bolster the Celestial Dynasty against its own weakness and the encroachments of Europe. The American commissioner ~~remarked~~ in his despatches:

¹⁸³House Ex. Doc. 123, 33 Cong., 1 sess. (736), p. 203.

¹⁸⁴Ibid.

"China is like a lamb before the shearers, as easy a conquest as were the provinces of India. Whenever the avarice or the ambition of Russia or Great Britain shall tempt them to make the prizes, the fate of Asia will be sealed, and the future Chinese relations with the United States may be considered as closed for ages, unless now the United States shall foil the untoward result by adopting a sound policy."¹⁸⁵

He analysed the conflict between the imperial forces and the Taiping rebels, between the British and the Russian, in his despatches in which he concluded with a thought which has proved to be a foundation principle of American policy toward China to the present day and which is intimately connected with the doctrines of the most-favored-nation, the open door, and the territorial and administrative integrity of China:

"It is my opinion that the highest interests of the United States are involved in sustaining China - maintaining order here, and gradually engrafting on the worn-out stock the healthy principles which gave life and health to governments, rather than to see China become the theater of widespread anarchy, and ultimately the prey of European ambition."¹⁸⁶

This policy was as yet, however, ideal and embryonic as was shown by Secretary of State Marcy's instructions to Mr. Marshall's successor, Robert M. McLane, that in the event of the disruption of China he should enter into treaty relations with all the resulting units.

5. Marshall's Conflict with the U.S. Naval Commanders

In his attempt to fulfill his policy, Mr. Marshall also had much difficulty and conflict with the American naval commanders in the China waters.¹⁸⁷ He asked them to conduct him to northern ports, but he refused to divulge his purposes for

¹⁸⁵Ibid., p. 204.

¹⁸⁶Ibid., p. 205.

¹⁸⁷Ibid., pp. 210-213.

going. He complained in his reports that his exposure to the discourtesy of Commander Aulick would leave an unfortunate impression on the minds of Chinese officials and result in the procrastination of impending questions and the loss of important advantages in political arrangements. With Commodore Perry, who stopped at Shanghai en route to Japan, Marshall was no better pleased. Impatient in his desire to present his credentials, and to insist upon an official residence at Peking, and urging that it was a favorable time to press China for more satisfactory relations, he asked Perry to leave a naval force at Shanghai to make his demands and negotiations more effective.¹⁸⁸ This the latter refused. In the latter part of the year 1853, Perry, who had returned to Hongkong from Japan, was requested by Marshall to cooperate with him in an attempt to visit Peking to learn the exact condition of the rebellion, to insist upon commercial rights and to assure the "Christian Emperor" of the Taipings of his readiness to acknowledge the new government. But Perry, stating that neither of the Chinese parties was in a condition to negotiate, refused to take any step that might be interpreted as participation in the Chinese Civil War. Thus, Marshall's proposition was disregarded.¹⁸⁹

6. The Problem of the Customs Duties at Shanghai

On September 7 the Small Sword Society, an offshoot of the Triad Society, took the city of Shanghai. The customhouse was looted and burned. With these conditions, the foreign

¹⁸⁸Sen. Ex. Doc. 34, 33 Cong., 2 sess., pp. 23-26.

¹⁸⁹Ibid.

merchants realized that relief was at least within their grasp.¹⁹⁰ In order to establish fully the neutrality of the foreign settlement, the consuls at the port refused to admit therein, or within the limits of the anchorage for foreign shipping, the exercise of authority by the Chinese authorities until the customs should be fairly reinstated in the customhouse. The foreign merchants were inclined to refuse payment of all duties. This attitude Commissioner Marshall opposed with the full weight of his office. His position was that by the treaties the imperial government could be held responsible for foreign losses incurred, but that if the foreigners refused to pay duties they could not hold the government responsible for their losses. To solve the difficulty the American vice-consul, Mr. Edward Cunningham, and the British Consul, Mr. Rutherford Alcock, established a modus vivendi, by which more than nine-tenths of the trade and shipping of Shanghai was to be controlled. They agreed that they would themselves collect the customs duties. They differed, however, in applying this rule to their respective nationals. The Americans required the payment of duties at the consulate in specie, while the English required the deposit of promissory notes only. This placed the Americans at a disadvantage, but enabled Commissioner Marshall to carry on his policy of supporting the imperial authorities and staving off the dismemberment of the Empire, which would likely follow the success of the Taipings. The effect of the new arrangements with reference to the customs duties was, as far as the British were concerned, practically to make the port of Shanghai free.

¹⁹⁰Morse, International Relations, II, 64-65.

The ships of non-treaty powers went free. This placed both American and British merchants at a disadvantage, and Commissioner Marshall, having carried out his treaty stipulations, now decided to avail himself of the most-favored-nation clause, and in January, 1854, authorized Vice-consul Cunningham to

"clear American ships without taking any note of the duties whatever, without requiring any port clearances, and in all respect treating Shanghai as a free port."

In conclusion Marshall wrote:

"... by the strict pursuit of our national duty, we are in a position, without violating a treaty stipulation or giving just offense in any quarter, to assert all our national rights and to maintain the commerce of the United States on the footing of the most-favored-nation, without loss from any unjust discrimination being possible, under any regulation whatever, made or to be made by other."¹⁹¹

His policy was to save American merchants from further embarrassment, and to force the hand of the English in breaking down the system of promissory notes. The successive attempts to establish a Chinese customhouse within the limits of the neutralized port, and to secure recognition for its authorities from the foreign merchants and shipping, had all been frustrated by the conditions under which trade was carried on, until the establishment of the foreign inspectorate of the Chinese Maritime Customs in 1854.¹⁹²

¹⁹¹House Ex. Doc. 123, 33 Cong., 1 sess., pp. 336-337.

¹⁹²For details, please see J.K. Fairbank, Trade and Diplomacy on the China Coast (Cambridge, Mass. 1953), Part V, "The Creation of the Foreign Inspectorate of Custom at Shanghai 1850-54", pp. 371-461. Also Stanley E. Wright, China's Struggle For Tariff Autonomy 1843-1938 (Shanghai, 1938), Chap. II, "The Administration of the Tariff: The Origin of the Inspectorate of Customs", pp. 82-177.

C. THE MISSION OF ROBERT McLANE

1. To Secure Unrestricted Commercial Intercourse

With no warships at his command, and no prospects of diplomatic intercourse by the close of the year 1853, Marshall returned to the United States. In October 1853, Robert McLane of Maryland was appointed Commissioner to China by President Pierce. His instructions of November 9, from Secretary of State Marcy, vested him with large and discretionary powers,¹⁹³ by which he could be prepared to meet contingencies which might arise from the results of existing revolution. He was directed, in case of a crisis, to attempt to secure unrestricted commercial intercourse - free trade, if possible - but with no desire for exclusive privileges. He was assured that Perry would receive instructions to cooperate and give such assistance as the exigencies of the public interest might require, and at least to comply with any request for a steamer. In view of the possible success of the revolutionists, he was authorized to use his discretion in recognizing the government de facto and treat with it - or, in case China should be divided under several governments "promising stability", to negotiate treaties with each government.

Robert McLane arrived at Hongkong on March 13, 1854. The tenure of his office was brief - only nine months long - but important. Like his predecessor Marshall, he was unsuccessful in his attempts to open diplomatic intercourse. He found Yeh Ming-chin, the Canton Viceroy and high commissioner for foreign affairs still too busy to talk.¹⁹⁴ Considering the experience of

¹⁹³ Sen. Ex. Doc. 22, 35 Cong., 2 sess., p. 2.

¹⁹⁴ Ibid., p. 19.

other European countries, especially Great Britain, he was convinced that diplomatic intercourse with the Imperial court could be obtained only at the cannon's mouth, but he refused Sir John Bowring's (the British Governor of Hongkong) suggestion for uniting forces for combined action.¹⁹⁵

2. Re-establishment of the Shanghai Customs House

McLane, soon went to Shanghai, attempted to seek some other medium of communication.¹⁹⁶ He found that American merchants were not yet satisfied with Marshall's decision, that suspension of Customhouse control by the Imperial Government did not annul the treaty obligation to pay duties. He sustained the decision of Marshall, however, and awarded to the Chinese officials the revenues due from Americans.¹⁹⁷ He did not remain long in Shanghai, but he was responsible for a notable settlement affecting the Chinese customs service there. When the Chinese proposed to meet the situation by establishing customs houses in the interior, McLane protested that this would violate the American treaty. Meanwhile, however, Shanghai had reverted to the status of a free port, the imperial government being deprived of all customs revenue. In these circumstances Commissioner McLane proposed a plan designed to re-establish the Chinese customs service on a permanent and efficient basis. McLane's proposal called for re-establishment of the Shanghai Customhouse under the direction of a board of foreign inspectors. The Manchu

¹⁹⁵Sen. Ex. Doc. 22, 35 Cong., 2 sess., p.21, Dipl. Des., No. 3, McLane to Marcy, Apr. 20, 1854.

¹⁹⁶Sen. Ex. Doc. 22, 35 Cong., 2 sess., p. 29, et seq., Dipl. Des., Nos. 4, 5 & 6, May 4 & 21, and June 14, 1854.

¹⁹⁷Sen. Ex. Doc. 22, 35 Cong., 2 sess., p. 112, et seq., Dipl. Des., No. 7, July 7, 1854.

officials at Shanghai had already confessed their inability to secure efficient Chinese custom officials, and they therefore suggested that suitable foreigners be appointed by the taotai (superintendent of trade) to act as his agents in the collection of the customs. It was in this manner that the foreign-officed inspectorate of Chinese customs came into being.¹⁹⁸

3. McLane's Visit to Taipings' Capital

Acting on the instructions he received, McLane visited, in June 1854, Woohoo, about seventy miles above Nanking, then the capital of the Heavenly Kingdom of Great Peace (Taiping Tienkuo), and investigated the purpose and extent of the Taiping rebellion, the leaders of which appeared not to have the liberality and friendliness which had been attributed to them by the deluded foreign sympathizers. In exclusiveness and extraordinary pretensions the chiefs exceeded the tone of the imperial authorities. They informed the American that he might be permitted to make yearly visits to bring tribute and bathe in the "gracious streams of the celestial dynasty."¹⁹⁹

4. The Problem of Treaty Revision

In the meantime, domestic and foreign problems were intricately intertwined in China; while Peking was faced with the Taiping Rebellion and other serious domestic problems the matter of treaty revision came up in 1854. By the American and French

¹⁹⁸ Fairbank, pp. 371ff; Wright, pp. 82ff; House Ex. Doc. 123, 33 Cong., 1 sess. (734), pp. 153-157, minutes of a Conference held at Shanghai, June 29, 1854.

¹⁹⁹ Please see the "Mandatory" enclosed in Dipl. Des., No. 6, June 14, 1854, Sen. Ex. Doc. 22, 35 Cong., 1 sess., pp. 50, 62, 70.

treaties the international agreements were open to revision at the end of twelve years, that is, in 1856; the British had acquired the right by the most-favored-nation clause, which enabled them to claim revision in 1854. The representatives of the United States, Great Britain and France were agreed that their relations with the Chinese Empire needed alteration on many points. The three envoys were ordered by their respective governments to cooperate in raising this question to the Chinese government, but they were warned not to bring about the exercise of armed forces - the British and French because they were then engaged in the Crimean War with the Russians, and the Americans because, among other reasons, the power to declare war lay with the legislative and not the executive branch of the government. In summary, they were instructed to obtain access generally to the whole interior of the Empire, as well as to the cities on the coast; or, failing this, to obtain free navigation of the Yangtze River, and the opening of Chinkiang and Nankiang, and also the large and populous cities within the seaboard of Chekiang, such as Hangchow and Wenchow; to effect the legalization of the opium trade; to secure the abolition of inland transit dues; to suppress the piracy on the China coast; to regulate the emigration of Chinese laborers; to provide for the residence of foreign envoys at Peking; or failing this, to regulate the correspondence between the foreign representatives and the Chinese chief authority at the seat of government; to provide that the treaties shall be interpreted by the wording of the foreign text.²⁰⁰

²⁰⁰For details of McLane's mission, please see Sen. Ex. Doc. 22, 35 Cong., 2 sess., pp. 2-498, Sen. Ex. Doc. 39, 36 Cong., 1 sess., pp. 2-409.

5. McLane's Advocacy of a "More Positive Policy"

They first informed Commissioner Yeh of this subject. He replied that he only possessed power to make minor modifications in the existing treaties and that no major changes seemed to be called for. McLane and the other two envoys proceeded to Shanghai in September, and held conferences with governor of Kiangsu, Koerhangah, who informed the envoys that he had no power, and tried to dissuade them from proceeding farther north, but they persisted in their decision. In October McLane, in company with Sir John Bowing, but without the French envoy, sailed northward, each with a national ship of war. At the mouth of the Pei-ho, they met an imperial commissioner near Taku, and participated in a fruitless conference.²⁰¹ They returned south. On August 20th, McLane concluded in his dispatch to the Secretary of State that if the efforts then being made should prove unavailing, it would be necessary to abandon all further expectation of extending commercial intercourse by treaty, unless the United States and Great Britain should concur in a policy of exerting a more active and decided influence on the destiny of China.²⁰² In November he urged Secretary Marcy to adopt a "more positive policy".

"I would recommend," McLane concluded, "that the Pei-ho and the Yangtze Kiang, as well as River Min and the Whampoa Reach, be placed under blockade by the united forces of the three treaty powers - Great Britain, France and the United States - and so held until the commercial privileges of buying from and selling to all persons in China, without limitation or restraint, is respected, and all the other treaty stipulations recognized and enforced, where the authority of the Imperial Government is paramount."²⁰³

²⁰¹ For Chinese memoranda of the conference, please see enclosures in Reed to Cass, No. 33, Oct. 21, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., pp. 438-488 (Vol. X).

²⁰² Sen. Ex. Doc. 22, 35 Cong., 2 sess., p. 169.

²⁰³ Ibid., p. 285, Dipl. Des., No. 20, Nov. 19, 1854.

Secretary Marcy, however, remaining cool, conservative and careful, replied in a letter of instructions as follows:

"The President will have serious objections to uniting with Great Britain and France in what you call the aggressive policy - that is the bringing together a united naval force of the three powers in order to obtain the revision of the treaties with China, securing larger commercial privileges by intimidation, or possibly by force"²⁰⁴

But it reached China long after McLane had left his post because of ill health.

D. THE MISSION OF DR. PETER PARKER

1. Second Attempt at Revision of Treaties

Mr. McLane's successor was Dr. Peter Parker, who had served for more than twenty years as a medical missionary and charge d'affairs in the empire. He occupied the post of the former from 1855 to 1857, and was a vigorous, though by no means always an effective, spokesman of American interests in eastern Asia. His terms of service were coincident with a period of troubles. In the winter of 1855, he went to China via London and Paris, where he obtained the general support of the authorities on foreign affairs of Great Britain and France, who ordered their respective representatives in China to cooperate with him in so far as accorded with their judgment. The second attempt at revision of treaties was made in 1856,²⁰⁵ the date settled by the American and French treaties, when it was thought that the imperial court at Peking, apparently powerless before the Taiping Rebellions, would be more willing to bid for the

²⁰⁴China Instructions, Vol. I, Feb. 26, 1855.

²⁰⁵The first attempt was made by Mr. McLane in 1854. Vide supra.

neutrality, or the support, of foreign nations. Dr. Parker was ambitious to be the instrument through whom the United States would secure the revision of its treaty of 1844. On the subject of treaty revision he held extreme views. His proposals were as follows: the residence in Peking of the foreign representatives and the dispatching of Chinese envoys to the capitals of foreign countries; the unlimited extension of the foreign trade to the whole of the empire; freedom of religious belief for all Chinese subjects; reform of the Chinese courts of justice.²⁰⁶

On his arrival at Canton in January, 1856, Dr. Parker informed Commissioner Yeh of his appointment. Like his predecessors, he failed to bring Yeh to a personal interview. Parker proceeded northward alone in July. He was delayed at Shanghai by the absence of American ships of war, and by attempting to negotiate with the Chinese authorities there. Disappointed in his hopes, he wrote Marcy, the Secretary of State, on September 3:

"The contemplated plan of concurrent action on the part of Great Britain, France and the United States never appeared to me more wise or desirable than at this moment."²⁰⁷

He returned to the south of China, where he found American commercial interests paralyzed by the confusion resulting from the Arrow affair and the British bombardment of the city of Canton.²⁰⁸

2. Americans' Neutrality in the Second Sino-British Conflict

After the beginning of the conflict between China and

²⁰⁶Sen. Ex. Doc. 22, 35 Cong., 2 sess., pp. 610ff, Parker's Correspondence.

²⁰⁷Sen. Ex. Doc. 22, 35 Cong., 2 sess., p. 921.

²⁰⁸For details of the conflict between China and Great Britain please see Sargent, Anglo-Chinese Commerce and Diplomacy, Chap. IV, "From the Treaty of Nanking to the Treaty of Tientsin", pp. 87-125; Morse, International Relations, Vol. I, Chap. XVI, "The Lorcha 'Arrow'", pp. 419-438.

Great Britain, the Americans endeavored to maintain an attitude of neutrality, although, in the opinion of the American commissioners - Marshall, McLane, and Parker - during the previous years, nothing but the exercise of force would obtain from the imperial government satisfaction of the demands of the Western powers. The American government, however, did not accept the policy advocated, and on each of its representatives enjoyed the necessity of doing nothing which could involve the country in war. In an assault made by the British on the walls of Canton on October 29th, the American consul at Hongkong, Mr. Keenan and a few Americans, accompanied the troops, displaying an American ensign. This act was at once disavowed by Commander Andrew H. Foote, the senior American naval officer at Canton. It was disapproved of by the American president and secretary of state. The United States and France had grievances against China; both had demanded revision of the treaties; both envoys would have asked for nothing better than to cooperate actively with the British, but neither nation had authorized any aggressive action, and their diplomatic representatives maintained a neutral attitude. On the request of Commissioner Yeh, the American guards were withdrawn from Canton on November 16, the consular flag being hauled down. As Commodore Foote was on his way to Canton on November 15 with the American flag prominently displayed from his ship, he was fired upon by cannon from the Barrier forts, which had been rearmed by the Chinese. Commodore Armstrong, with three boats at his disposal, in reply, authorized a movement against the forts, then demanded an apology for the insults to the ensign, and finally emphasized the demand by destroying the forts. Commissioner Yeh tendered a complete apology, which was accepted as satisfactory, and no further incident occurred.

3. Parker's Proposal for the Occupation of Formosa

During these operations, Dr. Parker claimed to be cautious, but on December 12, 1856, he confidentially suggested to Secretary Marcy:

"... Were the three representatives of England, France and America, on presenting themselves at the Peiho, in case of their not being welcomed to Peking, to say the French flag will be hoisted in Corea, the English again at Chusan, and the United States in Formosa, and there remain still satisfaction for the past and a right understanding for the future are granted; but, being granted, their possessions shall instantly be restored, negotiation would no longer be obstructed, and the most advantageous and desirable results to all concerned secured."²⁰⁹

He said that the occupation of territory, "as a last resort" ²¹⁰ for injuries inflicted, would be far more "effective and humane" than the destruction of life and property by bombarding forts and cities.²¹¹ Learning that the privilege of the revision of the treaty of 1844 was to be denied him, Dr. Parker, in February and March, 1857, advocated the occupation of Formosa to force the Chinese to observe the treaty, to prevent some European from taking it, and to provide the United States with coaling stations.²¹² Notwithstanding the attempt to involve the United States in hostilities, the American Government remained strictly neutral. Secretary Marcy regretted that there had not been more caution by the Americans at Canton, and refused to entangle the United States in a protracted struggle. To Dr. Parker's first proposal, Marcy replied that there was no warrant for the form

²⁰⁹Sen. Ex. Doc. 22, 35 Cong., 2 sess. (983), p. 1083.

²¹⁰Ibid.

²¹¹Ibid.

²¹²Peter Parker to Secretary W.L. Marcy, Macao, March 10, 1857, Sen. Ex. Doc. 22, 35 Cong., 2 sess. (983), pp. 1208-1210.

of cooperation suggested, and that, while they might be augmented to protect the persons and property of American citizens in China, the naval forces of the United States would not be used for "aggressive purposes".²¹³ But he made no reply to the proposal for acquisition of Formosa.²¹⁴ Considering that there was no obligation resting on China to negotiate at Peking, or near there, for the revision of the treaty which she had agreed to revise but without designating a place, the Pierce administration did not believe that relations with China warranted the "last resort" suggested by Parker. It allowed for an increase in the naval force in China waters, "but not for aggressive purposes."²¹⁵ In the following April Cass, the new Secretary of State under the Buchanan administration, said: "We have of course no political views connected with that empire."²¹⁶

4. Great Britain's Proposal of Cooperation

The Government of the United States under the Buchanan administration adhered to the principle of neutrality. In March, 1857, Secretary Cass received a letter from Lord Clarendon of Great Britain, requesting the United States to join the alliance and take a part in the hostile movements against the Chinese empire in order to obtain the following concessions: (a) residence for a foreign minister at Peking; (b) unlimited extension of trade beyond the open ports; (c) reduction of tariff duties

²¹³China Instructions, Marcy to Parker, No. 4, February 2, 1857, in Sen. Ex. Doc. 30, 36 Cong., 1 sess., Vol. X., p. 4.

²¹⁴Dennett, chap. XV.

²¹⁵China Instructions, Marcy to Parker, No. 10, Feb. 27, 1857, in Sen. Ex. Doc. 30, 36 Cong., 2 sess., Vol. X, p. 6.

²¹⁶Secretary Cass to Lord Napier, Apr. 10, 1857, in Sen. Ex. Doc. 47, 35 Cong., 1 sess., p. 6.

imposed on domestic produce in transit from the interior; (d) the removal of every restriction to religious freedom for foreigners in the empire; (e) an arrangement for the suppression of piracy along the China coast; (f) provisions for the extension of whatever benefits might be obtained to all other civilized powers on the earth.²¹⁷ Although President Buchanan considered all these requirements as just and expedient, and was conscious of the liberal policy of the allied powers in disclaiming any intention to obtain exclusive commercial advantages for themselves, he refused to cooperate in hostile demonstrations. Though he had power to employ naval forces for defence and for protection of American citizens and properties, he indicated that a military expedition into Chinese territory could not be undertaken except by Congress. Besides, although he had decided to ask China for a revision of the Treaty of Wanghia, he could not agree that the relations between China and the western powers would warrant a resort to war. Secretary Cass replied in his letter to Lord Napier, "True wisdom dictates moderation and discretion in attempts to open China to the trade of the world."²¹⁸

As early as 1854 Great Britain was seeking co-operation on the part of the United States in her efforts to secure revision of the China treaties. In 1857 the British were asking for not only political but also military and naval cooperation in the policies they sought, together with their French allies,

²¹⁷Dept. of State, Notes from the British Legation, Vol. 34, Napier to Cass, Mar. 14, 30, 1857.

²¹⁸Secretary Cass to Lord Napier, Apr. 10, 1857, in Sen. Ex. Doc. 47, 35 Cong., 1 sess., p. 6.

as a result of the Arrow incident then in progress. The British objectives in China were set forth fully in the letter to Secretary Cass. Their overture was essentially a proposal for an alliance, which naturally was not acceptable in Washington,²¹⁹ where it was assumed that a new treaty settlement would result from the war between China and the British and French allies.

E. THE MISSION OF WILLIAM B. REED

1. The American Policy

President Buchanan appointed in May, 1857, Mr. William B. Reed as the first envoy extraordinary and minister plenipotentiary instead of commissioner as his predecessors, to China in order that the United States might be in a position to press China for all those commercial and diplomatic gains won by both British and French arms.²²⁰ He could "do so by peaceful cooperation... with the British and French ministers...." But Cass warned him against a policy of "territorial aggrandizement or the acquisition of political power". Mr. Reed was instructed to make it clear that the objects of the United States in China were lawful commerce under suitable guarantees for its protections. Recognizing the potent influence of commerce alone as a means of introducing progressive civilization and national improvement, Cass said that "with the domestic institutions of China we have no political concern."²²¹

²¹⁹Vide Supra.

²²⁰Instructions of Secretary Lewis Cass to William B. Reed, Washington, May, 1857, Sen. Ex. Doc. 30, 36 Cong., 1 sess. (1032), pp. 7-10.

²²¹Ibid.

2. Reed's Point of View

Mr. Reed arrived at Hongkong in November and found the commercial intercourse of all nations suspended by the British blockade of the Canton river and port, and the Chinese authorities there still busy with the Taiping rebellion. He soon discovered that it was an unfavorable time to negotiate for the revision of treaties.²²² On November 17, he applied to Commissioner Yeh for an interview, and he wrote again on November 28 indicating that the United States, although not a party to the existing hostilities, was determined to secure redress for the wrongs which the Americans had suffered at the hands of the Chinese authorities, and that friendly feeling could not possibly continue if China should withhold the courtesy of intercourse.²²³ Commissioner Yeh replied on November 24 that there was no place where an interview could be held, since the houses near Canton had been burned by the British. As to the treaty of 1844, he said it had "proved satisfactory" and needed no revision. In the following December, Yeh wrote again that the American merchants and citizens, having been treated with courtesy and kindness in China, could have no wrongs to redress.²²⁴

Reed's experiences and observations in China quickly changed his point of view from that of cool detachment, characteristic of the Department of State at Washington, to the opinion which had been held by earlier American commissioners

²²²Message of President Buchanan, Dec. 8, 1857, Richardson, V. 444.

²²³Dipl. Des., No. 36, Reed to Cass, Dec. 15, 1857, Sen. Ex. Doc. 30, 36 Cong., 1 sess., Vol. X, pp. 49-53.

²²⁴Yeh to Reed, Dec. 8, 1857, enclosure in Dipl. Des., No. 39, Reed to Cass, Dec. 28, 1857, Sen. Ex. Doc. 30, 36 Cong., 1 sess., p. 52.

and which was held by the British and French envoys. He reported to Secretary of State Cass that:

"powers of Western civilization must insist on what they know to be their rights, and give up the dream of dealing with China as a power to which any ordinary rules apply."²²⁵

On December 12 the French, on the pretext of the murder of missionary Pere Chapdelaine, joined with the British to establish a blockade of Canton. The crisis at the port was rapidly approaching. In January, 1858, the city was completely in the hands of the British and French allies. Commissioner Yeh had been captured and was sent to Calcutta on February 13.²²⁶ The Western powers prepared to urge their demands upon the Imperial Court at Peking. Mr. Reed had come to the conclusion that vigorous action was necessary to secure redress.

3. Reed's Appeal to the Chinese Government

Although Reed was forbidden to cooperate with Great Britain and France in the use of armed forces, he was free to undertake concerted diplomatic action. After the fall of Canton to the allied forces of England and France in early 1858, Reed cooperated with the representatives of the two countries and Russia in dispatching notes to the Peking court. In his appeal to China, Reed referred to the hostilities existing on his arrival, and to the neutrality of the United States;²²⁷ his vain attempt to hold direct communication with the high officials

²²⁵Dipl. Des., No. 3, Reed to Cass, Macao, Jan. 4, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., p. 86.

²²⁶Dipl. Des., No. 5, Reed to Cass, Macao, Jan. 26, 1858, ibid., p. 88.

²²⁷Dipl. Des., No. 7, Feb. 1, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., p. 104. On China's policy in foreign relations, 1857, please see Reed to Cass, Hongkong, Feb. 4, 1858, Ibid., pp 118-121.

charged with foreign affairs; his offer of mediation to stay the horrors of war, all of which had been preremptorily rejected. He stated that he and his government were in full sympathy with the action and objects of the Allied Powers, and that the United States would present her own claim for reparation for injuries and losses. He would await the Chinese negotiators at Shanghai, but, should there be further delay or a refusal to negotiate, he would then proceed nearer to Peking, and follow such course as might be prescribed for him by the President.²²⁸ Secretary Cass approved Reed's course in joining the Powers in writing the dispatches to the Chinese emperor, but stated that the United States could not join in a continuation of coercive measures by resort to force - at least, not yet.²²⁹

4. Reed's Independent Action

The notes to Peking had failed to produce the desired result. The four envoys at Shanghai were urged, by the replies from the imperial court, to return to Canton and there open negotiations with new commissioner Hwang Tsung-hau. The four powers, however, decided to use more effective measures by an advance towards Peking. Mr. Reed suggested that all American forces available in China, should accompany the allied fleet to show the Imperial Court that the United States was not compelled to abstain from hostilities through any want of means.²³⁰ He,

²²⁸Sen. Ex. Doc. 30, 36 Cong., 1 sess., Vol. X, pp. 125, 171-75, Dipl. Des., No. 9, Reed to Cass, Feb. 13, 1858.

²²⁹China Instructions, Vol. II, Cass to Reed, April 28, 1858.

²³⁰Dipl. Des., No. 11, Reed to Cass, Shanghai, April 3, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., p. 220.

occupying the delicate position of a neutral, arrived off the Peiho with the other three envoys on April 20. The American squadron was given order to abstain from hostilities - except in the case of extremity.

Seeing little chance of being able to accomplish anything, Mr. Reed had decided to part company with the other envoys and to act independently to carry out his instructions. On May 3 he met on shore at Taku the Chinese commissioner Tan Ting-siang, the viceroy of Chihli, and informed the latter of his readiness to open negotiations on the basis of Cass's instructions. He was disappointed in his expectations. Tan refused to discuss the questions of residence of foreign diplomatic representatives in the capital, the navigation of foreign ships on the river, the opening of the inland marts, and the compensation for losses incurred. As to the right of direct correspondence, under seal and on a footing of equality, with the council of state; the opening of additional ports; and some modification in the customs tariff, the Chinese high commissioner was ready to make concessions. This was not satisfactory to Mr. Reed, who broke off negotiations.²³¹

5. The Signing of the American Treaty of Tientsin

On May 19, the Allied Forces of Great Britain and France captured the Taku forts, enabling the fleet to steam up the Pei-ho towards Peking. The four envoys arrived at Tientsin on May 30. After several interviews with the Chinese

²³¹Dipl. Des., No.17, Reed to Cass, May 15, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., Vol. X, p. 297.

commissioners there, Mr. Reed on June 18 signed his treaty of thirty articles.²³² The advantages of the American treaty of Tientsin were explained by Mr. Reed in his dispatch to Secretary Cass.²³³ It included, of course, the most-favored-nation clause. The British were determined that their envoy should be accorded the right of residence at the capital and be treated as the representative of a power equal in rank with China. On this matter, Mr. Reed followed a middle course. He claimed the right to dispatch an American diplomatic representative to Peking for the transaction of particular business, and, while he was "not to take advantage of this stipulation to request visits to the capital on trivial occasions", such an envoy was to be received on a basis of equality and treated with due respect. If the right of residence in the capital should be accorded to the envoys of any other nation, the same privilege should at once inure to the American representative. The treaty renewed the extra-territoriality clause for consular judicial jurisdiction in suits against United States citizens in China, and granted the right of direct correspondence with the privy council. A provision for the toleration of Christianity was also included. It secured more liberal commercial regulations and gave access to

²³²For details of the Treaty of Tientsin in June 18, 1854, please see U.S. Compilation of Treaties in Force (Washington, 1899), pp. 95-105; Clyde, pp. 47 - 58

²³³William B. Reed to Secretary Cass, Tientsin, June 30, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess. (1032), pp. 352-357.

new ports and to the interior of the empire.²³⁴

6. The Tariff and Trade Regulations

Mr. Reed had not waited to receive the ratifications which were to be exchanged within one year, and went to Shanghai where negotiations on the tariff and on trade regulations were to be concluded. On November 8, he negotiated and signed a convention for settling the claims of American citizens.²³⁵ Because of the Taiping Rebellion, trade in munitions of war was absolutely prohibited. Weights and measures were fixed, and the old imposition of the meltage fee on silver was abolished. The capital, Peking, was explicitly excluded from the operations of foreign traders. The procedure to be followed in commuting the inland dues on foreign imports and on Chinese produce intended for export abroad was prescribed. A uniform system of customs procedure and collection was to be enforced at all the open ports. As to the tariff, the duty, both import and export, was established on a general basis of five per cent. ad valorem. Commodities not enumerated in the tariff were to be liable to a duty of five per cent of the average value.

²³⁴On the treaty and its effects, please see Dipl. Des., No. 23, Reed to Cass, June 30, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., pp. 351-63, 365-70, 371 et seq., Dipl. Des., No. 29, July 29, 1858. For further remarks on the Treaty, the nature of the imperial government and its foreign policy, the real authority in the political system, the Chinese negotiations, and the influence of the conduct of foreigners, please see Dipl. Des., No. 31. Sept. 4, 1858; Sen. Ex. Doc. 30, 36 Cong., 1 sess., p. 429, et seq. For illustrations of Chinese policy, and characteristics, please see Dipl. Des., No. 2, Williams to Cass, Jan. 28, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., p. 545.

²³⁵Dipl. Des., Nos. 35 and 37, Reed to Cass, Nov. 9 and 10, 1858; Sen. Ex. Doc. 30, 36 Cong., 1 sess., pp. 493 - 528; U.S. Compilation of Treaties in Force, pp. 113 - 114.

For tea, the Chinese demanded the retention of the rate of the old tariff, Tls. 2,500 a picul. The old duty on silk, Tls. 10 a picul, was much under five per cent of the average value; but this was the one article in which France was interested, and a proposal to increase the duty would have met with strong opposition from the French merchants. For opium, the Chinese admitted the necessity of legalizing the importation, under certain conditions, and proposed Tls. 30 a picul, which was ultimately accepted as the rate. There was no revision of the tariff for forty-four years until 1902.²³⁶

7. The Legalization of the Opium Trade

a. The Position of Opium in the Chinese Foreign Trade

During the period from 1839 to 1858, the opium trade was of great importance in the Chinese foreign commerce, and the drug was the chief commodity by which the means were found to pay for the increasing quantities of tea and silk exported from China to the markets of the United States and the European countries. Through the help of several corrupted Chinese officials, the smugglers spread out along the coast, and engaged in the trade at every commercial strategical point. The fast steamers and the swift and well-armed clipper schooners accelerated the transshipment of the drug from point to point along the coast. Since it was impossible for the Chinese court to compel its own officials to enforce the prohibition, it was suggested by Captain Elliot, Sir Henry Pottinger, and urged by Sir J.F. Davis, that the only wise measure was to abandon the prohibition,

²³⁶For details, please see Wright, p. 176ff.

impose regulations on the tariff, and levy on the drug, so legalized, a tax for the benefit of the public exchequer, which now derived no revenue from the trade.²³⁷

b. The Prohibition of Opium in China

The problem, which was considered by the Chinese to be the main cause of the first war between China and Great Britain, was mentioned only briefly in the Treaty of Nanking in connection with reparations for the value of the opium destroyed. There was no provision against its import and use. The policy of Cushing with reference to this matter did not work out satisfactorily. In August 1850, Emperor Hsien Feng showed his intention of continuing his ancestor's policy by the issuing of a severe edict prohibiting absolutely the use of opium within the empire. But it was never carried into effect. The officials along the coast showed no disposition to forego the exercise of their power to connive at the tariff and to take their individual profit from it. By 1853 the spreading of the Taiping rebellion increased the expenses of the government and diminished its resources, and in a year the court at Peking permitted discussion about the questions on legalization, toleration and taxation of opium. It was proposed to levy a duty of Tls. 40 a chest on opium imported. But for the present, nothing was done.

c. Public Opinion in the U.S. against Opium Trade

In the meantime, a revival of the movement against the policy of "forcing opium on China" took place in England. Public opinion in the United States was against the opium trade.

²³⁷Sargent, pp. 68, 70, 76, 87-9, 108.

During the years 1834 to 1860, the reports of the American Protestant missionaries in China on this subject produced a marked effect on the deeply religious sense of the American people. It was of their opinion that opium smoking was a great moral evil which seriously impeded their efforts to bring the Chinese to recognize the truths of Christianity. Of the American traders in China, a few took an active part in the opium trade, but most of them, from purely conscientious motives, were opposed to it, and supported the missionaries in the denunciations of its evils. This expression was reflected in Article XXXIII of Cushing's treaty.²³⁸

d. American Policy on Opium Trade

At the time of the appointment of Mr. Reed as Minister Plenipotentiary, Secretary Cass reiterated the American policy of opposition to the opium trade and ordered him to uphold the Chinese policy and to reaffirm the provisions against the drug contained in the treaty of 1844.

"... The effect of the Chinese Government to prevent the importation and the consumption of opium was a praise-worthy measure." Cass said, "Upon proper occasions, you will make known to the Chinese officials...that the government of the United States does not seek for their citizens the legal establishment of the opium trade, nor will it uphold them in an attempt to violate the laws of China by the introduction of that article into the country."²³⁹

²³⁸J.K. Fairbank, "The Legalization of the Opium Trade before the Treaties of 1858", Chinese Social and Political Science Review, 17: 2:215-263 (July 1933).

²³⁹Instructions of Secretary Cass to Reed, Washington, May, 1857, Sen. Ex. Doc. 30, 36 Cong., 1 sess. (1032), p. 9.

e. The Legalization of the Importation of Opium

After his arrival in China, an on-the-spot observation of the general situation of the opium trade and the evils of a special traffic undertaken on a basis of smuggling, infractions of the prohibition, and corrupt connivance of the Chinese officials along the coast, caused Mr. Reed to modify his views. Thus, opium was not mentioned in the American treaty of Tientsin. Owing in part to the stand taken by Lord Elgin,²⁴⁰ the British Ambassador-Extraordinary, and in part to a change of attitude by the Chinese authorities, the trade in opium was definitely legalized in the second convention on the tariff and trade, held on October 13, 1858. This commodity was to pay Tls. 30 a picul import duty. Although the trade in opium was still legally prohibited, there was no renewal of the edicts against the distribution of it for fifty years, and the treasury derived a revenue from the trade. A feeling of hostility to smoking of the drug spread in the country and there was at times a revival of the agitation against it; but no effective steps were taken until the issue of the edicts of 1906.

F. THE MISSION OF JOHN E. WARD

1. The Exchange of the Ratification of the Treaty of 1858

Mr. Reed, after having settled the claims of American merchants for compensation at an agreed sum of Tls. 500,000, the equivalent of \$735,288.97,²⁴¹ returned to the United States in

²⁴⁰Sargent, p. 109.

²⁴¹Dipl. Des., No. 36 & 37, Reed to Cass, Nov. 9 & 10, 1858, Sen. Ex. Doc. 30, 36 Cong., 1 sess., pp. 493, 520. By the authority of Congress, in 1885, a sum of \$453,400.90 was returned to China through the Chinese minister at Washington.

December, 1858. His successor was John E. Ward of Georgia, a lawyer without diplomatic experience. Mr. Ward's instructions from Secretary Cass were to go to Peking and to confirm the ratification of the American treaty of 1858. He arrived at Hongkong in May 1859. As soon as the warship Pawhatan was ready for his use, Mr. Ward set out northward. But hearing that the Chinese plenipotentiaries were awaiting for the foreign ministers at Shanghai, he reached that port to confer with the Chinese. The American treaty did not mention the place of exchange of ratifications, but the British and French ones of 1858 each contained a clause providing for an exchange at Peking. When the British and the French envoys refused to listen to the Chinese officials who were sent to Shanghai to dissuade them from going to Peking, Mr. Ward decided that he, too, would proceed to Peking for that purpose, on the ground of the most-favored-nation treatment.²⁴²

2. The Conflict at Peiho

Arriving at the mouth of Peiho in June, 1859, the three ministers found the river obstructed by chains and improved forts at Taku. Compared to the allied fleet of nineteen vessels under the command of the British Admiral Sir James Hope, the American had only two ships escorting Ward. On June 24 Admiral Hope made an imperative demand that the obstructions be removed at once. This the Chinese refused. On the next day, the allies began to attack the Taku forts and attempted to clear the river, but the Chinese, with more artillery than had been suspected, opened with heavy fire which did serious damage. Throughout the fight the

²⁴²Dipl. Des., No. 14, Ward to Cass, June 13, 1859, Sen. Ex. Doc. 30, 36 Cong., 1 sess., pp. 569-85.

two American vessels under Commander Josiah Tatnall were nominally neutral; but Tatnall, when the news of Admiral Hope's wound reached him, despite the protests of his fellow-officers, proceeded to extend his personal sympathy and assisted in landing the British marines to storm the forts, and in aiding them to return to their vessels.²⁴³

3. Ward's Exchange of Ratifications

When the British and French were engaging in fight with the Chinese, Ward, in accordance with treaty provisions, opened negotiations with the latter for means of conveyance overland. He landed at Peitang instead of Taku, with the members of his legation, and arrived at the capital, Peking on July 28. For the purpose of delivering President Buchanan's letter, an audience with the emperor was arranged. But he abandoned the audience later because he refused to perform the kowtow.²⁴⁴ Upon receiving an imperial mandate ordering the Americans to leave Peking, Mr. Ward, accordingly, left the capital on August 12, and after exchanging the ratifications at Peitang on the 16, proceeded to Hongkong. On arriving at Canton, he received permission to return to the United States, and in December, 1859, his interpreter Mr. Williams assumed charge of the American legation in China.

²⁴³Dipl. Des., No. 15, Ward to Cass, July 4, 1859, Sen. Ex. Doc. 30, 36 Cong., 1 sess., pp. 585-91.

²⁴⁴Ibid., pp. 591-54, Dipl. Des., No. 16, July 10, 1859.

²⁴⁵Dipl. Des., No. 17, Ward to Cass, Aug. 20, 1859; Sen. Ex. Doc. 30, 36 Cong., 1 sess., pp. 594, et seq.

4. The British and French Conventions of Peking in 1860

In the following year, the British and French governments decided to continue joint action in China, requiring the exchange of ratification at Peking, and an indemnity for the late occurrences. Their envoys pushed on to the north, accompanied by a considerable military force. The allied forces landed at Peitang on August 1st, and marched overland to occupy Peking. The emperor fled to Jehol on September 21. Once in the capital, the English and French looted the city and burned the summer palace. Under these conditions, the imperial court signed the British and French conventions of Peking in 1860, permitting the permanent residence of the ministers at the capital, opening more ports for foreign transactions, increasing indemnities to each of the allied powers, promising foreign war vessels and commercial ships to navigate rivers in the interior of the empire, allowing consular jurisdiction and the fixing of tariff duties through concerted action, as well as other special concessions to each power.²⁴⁶

G. FREDERICK TOWNSEND WARD AND THE EVER-VICTORIOUS ARMY

In sharp contrast to their policy in the north, the western powers were in central China doing what they could to uphold the imperial court. Although they did not intervene officially in the Chinese civil war, they lent tacit support to

²⁴⁶For details of the second Anglo-French War with China and its effects, please see Morse, International Relations, I, 571-616; Sargent, pp. 122-125; J.F. Cady, The Roots of French Imperialism in Eastern Asia (N.Y., 1954), pp. 247-266.

Peking's campaign against the Taipings and allowed their nationals to enlist in the imperial armies, in order to force the Emperor to make the concessions they considered so essential to their own interests. They were then convinced that the re-establishment of the imperial government's control over the whole China had become necessary for their growing trade in Asia. Among those who fought on the imperialist side, Frederick Townsend Ward of Salem was the only American who played an active role. He led soldiers of fortune and, later, the Ever-Victorious Army to wage war against the Taipings on a contract basis until his death in 1862. His action, however, was objectionable to the American authorities who had proclaimed strict neutrality.

H. AMERICAN POLICY DURING THE PERIOD 1845-1860

The events in the Chinese Empire during the one and a half years which followed the departure of Mr. John F. Ward, the American envoy, were memorable in her history and of vast consequence to her future; but in them the government of the United States took little part. The people on the American Continent were far too deeply absorbed in the change of administration from Buchanan to Lincoln, and the following Civil War between the North and the South, to pay much attention to what was happening in East Asia. A new minister was not dispatched to the empire until Mr. Anson Burlingame of Massachusetts, the first American minister to be accredited directly to the Imperial Court, reached China in October 1861 to establish residence in Peking.

During the period of these complicated developments in China, the Americans, torn between the conflicting desires to maintain the friendship of the Empire and to obtain new commercial privileges, had followed a policy that was neither peace nor war.

"To some degree we (Americans) had exercised a restraining influence upon the rapacity of the other powers. We had definitely taken the lead in supporting the Imperial Government against the Taipings. Yet we had also sought to attain the same objects for which England and France went to war, stood aside which they brought the Chinese to terms, and then insisted upon the right to enjoy the new privileges which the Imperial Government had been compelled to concede."

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²⁴⁷Dulles, China and America, p. 62. In an article in the Atlantic Monthly of May, 1887, Mr. A.A. Hays says that it has been the American policy to "crawl behind the British guns, and come forward at the end of the war with our bills for lost dressing-gowns, pipes, slippers and peace of mind." A Chinese Imperial Commissioner wrote Emperor Hsien Fong: "The English 'barbarians' craftiness is manifold, their proud tyranny is uncontrollable; Americans do nothing but follow their direction." IWSM, Bk IX, p. 39.

CHAPTER IV

THE COURSE OF TRADE (1845-1860)

A. A PERIOD OF RAPID COMMERCIAL INTERCOURSE

From 1845 to 1860, the British had the largest share in the foreign trade of China. The Americans came next, especially as shippers of tea, and in addition they had developed an important carrying trade, reaching its highest level between China and London. Of the foreign merchants resident in the treaty ports, the English constituted a majority, with the Americans next in importance.

1. Rapid and Irregular Growth of Trade

Considering the trade in the years before the treaty of 1844, which marks the beginning of the formal relationship, the distinctive fact of the commercial intercourse of this period between the United States and China was a rapid but irregular growth of both imports and exports, as indicated in the amount of total annual trade. In 1845, the total trade surpassed greatly in value that of the previous years, indicating a quick recovery from the disturbing effects of the opium war between China and Great Britain; yet in the years which followed it steadily increased from a value of nine million dollars to about fourteen and a half million in 1853, in spite of the fact that the Taiping Rebellion was just reaching its peak in China. By 1858, when the power of the Taipings was gradually on a decline and peace was in sight in the country, both imports and exports between China and the United States were greatly stimulated

by its effects and leaped to the high water mark of twenty-two and a half million dollars in 1860.

2. The Statistics of Sino-American Trade (1845-1860)

The following table reveals the statistics of Sino-American trade during the period from 1845 to 1860.

TABLE 2

Trade of the United States with China 1845-1860

Year ending June 30	Exports from U. S. A. to China			Imports into U.S. from China	Whereof there was in bullion and specie		Total Trade in \$1,000
	Domestic in \$1,000	Foreign in \$1,000	Total in \$1,000	Total in \$1,000	Export in \$1,000	Import in \$1,000	
1845	2,079	197	2,276	7,286	159	27	9,562
1846	1,178	154	1,332	6,594	113	..	7,926
1847	1,709	124	1,833	5,583	33	..	7,416
1848	2,064	126	2,190	8,083	72	..	10,273
1849	1,461	122	1,583	5,514	10	..	7,097
1850	1,486	119	1,605	6,593	25	..	8,199
1851	2,156	329	2,485	7,065	147	..	9,550
1852	2,480	183	2,663	10,594	20	..	13,257
1853	3,213	524	3,737	10,574	489	..	14,311
1854	1,294	104	1,398	10,506	156	108	11,904
1855	1,533	186	1,719	11,049	675	..	12,768
1856	2,048	510	2,558	10,454	634	1	13,013
1857	2,020	2,375	4,395	8,360	1,898	..	12,755
1858	3,008	2,690	5,697	10,571	2,016	..	16,268
1859	4,233	2,894	7,127	10,791	2,050	..	17,919
1860	7,171	1,735	8,906	13,567	3,156	..	22,473

Data from U. S. Statistics Bureau, Treasury Department, "Commerce with Asia and Oceanica", Monthly Summary of Commerce and Finance of the United States, January, 1898, pp. 1044-45, 1637-38.
(Hereafter cited as Monthly Summary of Commerce and Finance.)

3. Specie and Bills of Exchange

As to specie, the flow of the commodity from the United States to China had been steady throughout this period, although during the first decade the flow was slight, averaging about \$100,000 every year. In 1849, the next exportation of specie and bullion from the former to the latter declined to only \$9,967, an almost negligible sum. This was because bills of exchange on London were used to pay nearly all the big balance of imports against exports. Heavy exports of specie, however, were again resumed in the years after 1855. This was because the United States found her own gold and silver mines in California and Mexico. From 1855 the flow of specie, especially silver, went on without interruption up to the end of the nineteenth century.

4. The Composition of Exports from the U. S.

Besides specie, the composition of exports from the United States during that period underwent a constant alternation, while that of imports from China to America did not show much change. As we have noted above, the Chinese in earlier trade years wanted few American products while the demand in the United States for Chinese commodities was much greater. The American merchants had to export goods from other countries, then import them into China in exchange for the latter's products. Thus, the value of foreign exports was greatly in excess of that of domestic exports.²⁴⁸ When the industrial revolution was taking full effect in the United States about the middle of

²⁴⁸Vide supra, p. 121, Table 2.

the nineteenth century, some new American manufactures appeared in the Chinese market and were in great demand. As a result, the quantity of domestic goods in the total American exports to China had been growing rapidly. The first year in which domestic exports to China exceeded foreign goods was 1842. The total value of domestic exports was \$737,509, while that of foreign exports was \$706,888. In 1845, however, domestic exports amounted to \$2,079,341, constituting ninety-two percent of the total American exports, while foreign exports dropped to \$196,341, only eight percent. The domestic exports in 1853 amounted to \$3,212,574 or eighty-six percent, as against \$524,418 of foreign exports, or fourteen percent of the total. In the last year of the period, 1860, domestic manufactures exported to China leaped to the figure of \$7,170,784. Among the American domestic exports to China market cotton manufactures now held the first place in rank and greatly surpassed other products. In 1860 the value of all cotton manufactures exported from the United States to China was \$3,897,362, which is fifty-four percent of the total domestic exports, \$7,170,784.²⁴⁹

²⁴⁹In 1860, the composition of the total domestic exports from the United States to China was as follows:

Cotton manufactures.....	\$3,897,362
Meats, dairy products and other provisions..	269,032
Wheat flour (37,328 lbs.).....	302,304
Coal (29,023 tons).....	117,969
Drugs and medicines.....	51,010
Ginseng (395,909 lbs.).....	295,766
Iron and steel manufactures.....	87,731
Manufactured tobacco (664,289 lbs.).....	97,957
Gold and silver bullion and coin.....	1,545,914
Other articles.....	508,043
	<hr/>
	\$7,170,784

U. S. Statistics Bureau, Annual Reports, Foreign Commerce and Navigation of the United States, 1860, pp. 17-51.
(Hereafter cited as Commerce and Navigation.)

From that time on, American cotton goods constantly increased in importance in United States domestic exports to Chinese markets.

Other big items composed the total domestic exports in 1860, for example,²⁵⁰ meats, dairy products, wheat flour, coal, drugs and medicines, ginseng, iron and steel manufactures, and tobacco manufactures. Gold and silver bullion and coin dominated all of the foreign exports during this period, and were transported from Mexico and Spanish West-Indies. In 1860, for example, such commodities amounted to \$1,556,828 in value, constituting ninety percent of the total foreign exports from the United States to China.

5. Imports From China To The U.S.

a. Tea

As to the imports from the Chinese Empire to the United States, tea still retained the pre-eminent position it held in the previous years, varying in different years from sixty to eighty percent of the total imports thereof. But its relative importance had a tendency to decline. In value the proportion of tea to the total American imports from China during these years is shown in the following table.

TABLE 3

The Proportion of Tea Imports to the Total American Imports, From China

Year	Percent	Year	Percent	Year	Percent
1821	42.5	1835	75.5	1850	71.5
1825	49.5	1840	82.0	1855	70.0
1830	62.5	1845	79.2	1860	65.5

Data from Pitkin, pp. 246-247; Homans, pp. 181-182; Commerce and Navigation, 1860, p. 269.

²⁵⁰Ibid.

It can be seen that in the years following 1814 the relative proportion of tea to other Chinese imports constantly increased, until in 1840 it amounted to eighty-two percent of the total. After this year the ratio fell off, though slowly, and in another score of years it became 65.5 percent. During this period the increase in the quantity of tea imported was fairly steady, from five million pounds in 1821. to nine million in 1830, twenty million in 1840, thirty million in 1850, and twenty-six million in 1860; but the per capita consumption in the United States did not show any regular growth.²⁵¹

After the beginning of the nineteenth century, the American tea traders entered into very keen competition with the British East India Company. Not only was the monopoly in tea trade which the Company had enjoyed throughout the eighteenth century ruined, but the very existence of the Company was threatened. The success of American tea traders in the competition with the British concerns is said to be that in striking contrast with the British policy of applying a heavy duty to tea trade and thus checking trade extension, the United States exempted tea almost entirely from duty. This had been the case since 1832.

From the beginning of the American trade up to 1856, Chinese tea absolutely dominated the tea market in the United States as well as that in all other countries. But since 1856, when a small quantity of Japanese tea "consisting of about fifty half chests" appeared first in the American market,²⁵² China's monopoly of this product had been gradually shattered. Her

²⁵¹Gideon Nye, Tea and Tea Trade (Canton, 1850), Pt. II, p. 18ff.

²⁵²J.M. Welsh, Tea; Its History and Mystery, (Philadelphia, 1892), p. 99.

supremacy was challenged by the tea of Japan, then of India and of Java. Finally the China tea market was utterly ruined. Yet the whole history of China's tea trade with the United States after 1856 is nothing more than a chapter of defeat in this competition. The Japanese tea, "being found pure and free from coloring-matter"²⁵³ soon became very popular with American consumers, a larger number of whom were prejudiced against Chinese green teas at the time, under the impression that they were more or less artificially colored. Since then, the demand for Japanese tea had steadily been increased. Four hundred half-chests were imported in 1857 and eleven hundred chests in 1859.²⁵⁴ By 1860 the Japanese manufacturers adopted a new mode of curing green teas. As a result the color was changed from a dark to a light green, and a high malty flavor was imparted. Since then, Japanese teas had continued to grow in popular favor and command a market in the United States. This was not because Japanese teas were better in quality than Chinese ones, but simply because the former were prepared in such a way as to suit the American fancy. They found little market in England and other European countries, where the consumers in those days still favored Chinese products.²⁵⁵ When the Japanese made their goods suit the buyer's fancy, China, always sticking to her old rule, did not seem to care for this. Her tea trade failed in competition for this cause, in the same way her silk trade declined.

²⁵³Ibid.

²⁵⁴Ibid., p. 100.

²⁵⁵Ibid.

b. Silk

Silk was only second in importance to tea among the imports from China to the United States. For centuries China had been the original home of silk and had been exporting it to other countries. Aside from tea, silks were the most important articles of China trade in those early years, though it was smaller in quantity and value than tea. But silk trade became more and more important as time went on. In the years after 1820 the value of imported Chinese silks ran into several million dollars a year, several times amounting to more than two fifths of the total imports from China. During the early half of the nineteenth century nearly all American silk imports were in the form of manufactured silks, such as piece goods, embroideries, ribbons and so on. Very little raw silk was imported, because the silk manufacturing industry in the United States had not as yet taken shape. Although the increase in America's demand for foreign-made silks was fairly rapid, the decline of China's share in this trade was nevertheless marked. In 1823 Chinese silk goods constituted sixty percent of the total silk imports into the United States. During the forty years following, her share dropped headlong to 17 percent in 1833, to 4.1 percent in 1853, and to 0.1 percent in 1863. This is shown in the following table:

TABLE 4
Silk Imports from China

Year	Total Imports of Manufactured Silks into the United States	Imports from China	China's share in the total
1823	\$5,201,000	\$3,122,000	60.0
1833	7,913,000	1,387,000	17.0
1843	2,458,000	.....	....
1853	29,834,000	1,220,000	4.1
1863	12,656,000	9,700	0.1

Data from Pitkin, p. 305; Homans, p. 182; Commerce and Navigation, 1863, p. 185.

The chief reason for its decline was that Chinese silk goods had never been manufactured for the purpose of exporting, and thus had never been made to suit the taste and fancy of the Americans. They therefore preferred to have their silk goods produced in England and France.

c. Raw Silk and Other Articles

As to the raw silk trade, the United States during the first half-century bought so little that the American Bureau of Statistics did not even take the trouble to record the quantities imported. After 1850 separate quantities could be obtained and they are shown in the following table in five-year averages:

TABLE 5

Imports of Raw Silk from China

Average of five year period	Value of total imports of raw silk in \$1,000	Value of raw silk imported from China	China's share (%) in the total
1840-44	51	....	....
1845-49	230	....	....
1850-54	575	358	62.0
1855-59	1,133	620	54.5
1860-64	1,242	576	46.3

Data from Homans, p.182ff.; Commerce and Navigation, 1855, p.184ff.; 1860, p.187ff.; 1865, p.182ff.

More than half of these imports came directly from China and the rest from England and France.²⁵⁶

Besides tea and silk, other items among the imports included sugar, spices and wool. In 1860, for example, the imports from China to the United States consisted of tea, raw silk, silk piece goods and other manufactures, clothing, matting, essential or volatile expressed oils, species (mostly cassia),

²⁵⁶Homans, p.182ff.; Commerce and Navigation, 1855, p.184ff.; 1860, p.187ff.; 1865, p.182ff.

brown sugar, manufactures of wool, and other articles.²⁵⁷

6. China's Position as Customer or Supplier

China in 1860 was seventh among the countries which supplied American whole imports, following the United Kingdom, France, Spanish West Indies, British North American Possessions, Brazil and Germany, in the order of their importance. Although the percentage of exports from the United States to China was only 1.78 of the total American exports in the same year, China held the same rank among the best customers for American manufactures as that held among the suppliers. She was surpassed only by the United Kingdom, France, the British North American Possessions, Germany and Spanish West Indies in the order of their relative importance.²⁵⁸

B. THE CAUSES OF THE RAPID EXPANSION OF TRADE

1. The Growth of American Shipping

The expansion of trade during this period was mainly caused by the growth of American shipping. The tonnage of shipping in the previous years between China and the United States

²⁵⁷The imports from China to the United States:

Tea.....	\$8,799,141
Silk, raw.....	1,020,496
Silk, piece goods and other manufactures....	906,929
Clothing.....	108,205
Matting.....	273,709
Oils, essential, or volatile expressed.....	99,056
Specie (mostly Cassia).....	296,743
Brown sugar (13,143,376 lbs).....	628,668
Wool, manufactures of.....	204,352
Other articles.....	1,229,305
	<u>13,566,587</u>

Commerce and Navigation, 1860, pp. 177-285.

²⁵⁸Ibid., pp. 17-51, 177-285.

had never passed ten thousand tons except in 1843 and 1844. But within a decade, it increased by more than one hundred thousand tons.²⁵⁹ The development of American-Chinese trade during these fifteen years was exactly parallel with the so-called clipper ship era, which

"began in 1843 as a result of the growing demand for a more rapid delivery of tea from China; continued under the stimulating influence of the discovery of gold in California and Australia in 1848 and 1851, and ended with the opening of the Suez Canal in 1869."²⁶⁰

These ships in these years were synonymous with high speed,²⁶¹ until the steamers within a few decades replaced them. The particular significance of the clipper ships in China-American trade was that they could, by the perfection of their type, carry larger cargoes and deliver the tea in shorter time and in fresher condition than could their competitors, and make other valuable items from China readily available to the American and European consumers. In the latter 1840's and 1850's the clipper ships comprised a substantial portion of the United States merchant fleet engaged in China trade. New York became the headquarters.

By the 1840's tea had become the principal American import from China. Light in bulk and relatively high in value, tea contributed significantly to the rapid development of the speedy clipper ship. In the meantime, the clipper ship accelerated the transfer of tea.

²⁵⁹Homans, p. 181ff.

²⁶⁰Clark, p. v.

²⁶¹Carl C. Cutler, Greyhound of the Sea (N.Y., 1930), pp. 43-44.

2. British Nullification of the Old Navigation Acts

In almost every aspect, the 1850's were a golden age of American maritime activity. The amazing upsurge of American maritime activity during these years was certainly greatly stimulated by the British Government's final nullification of the old Navigation Acts in 1848. As a result, American ships were for the first time since Independence permitted to engage in commerce of foreign origin destined for the British Possessions, on terms of equality with those of the English. This opportunity was, of course, seized upon by American vessels for carrying tea from China to the territories of Great Britain. The first American clipper ship carrying tea from China to England was the Oriental. She left Whampoa on August 22nd, 1850 and reached London 104 days later on December 4, 1850. The speed of her voyage created a sensation in Europe as well as in the United States.²⁶² Because of her known speed the clipper ship received an exceptionally high freightage for the tea she carried; and perhaps even more pleasing than the remarkable speed of the voyage was the profit of \$48,000 that was made, a sum which equalled two-thirds of the cost of building the ship.

The competition in the China seas between American and British ships had been very keen. The American clipper ships' engagement in the tea trade between China and the British Possessions for a few years caused great financial loss to the lumbering British bottoms, which were ill-equipped in speed. On this subject, a British author commented in 1873 that:

²⁶²Ibid., p. 169.

"This new competition proved for a time most disastrous to British shipping, which was soon driven out of favor by the lofty spars, smart, radish, looking bulls, and famed speed of the American ships, and caused the tea trade of the London markets to pass almost out of the hands of the English ship-owners."²⁶³

A few years later, however, the British clipper ships were also making record voyages to China and answering the American challenge. But the American merchant fleet was considerably superior in efficiency. Certainly no other nation participated so extensively in the trade of the world as did the United States at that time.²⁶⁴ The Canton trade was dominated by American shipping. In 1855, for example, foreign shipping in China waters totalled 58,000 tons, of which 24,000 was American, 18,000 was British and the remainder was divided among other nations.²⁶⁵ In those years American ship-owners and seamen were themselves traders; it is not surprising that the trade between the two countries should have come with a big rush.

3. The Establishment of a Low Chinese Conventional Tariff

Before the conclusion of the treaties of Nanking and Wanghia, the foreign importer at Canton was formerly compelled to bear such items as duties, "commissions", "presents", and grafts, to the Chinese officials, compradores and linguists.

²⁶³Clark, p. 98.

²⁶⁴Ibid., p. 196.

²⁶⁵American maritime shipping reached its culmination in 1855 in which American shipping was 5,212,000 tons. Then came the Civil War, and the fleet was damaged heavily. In 1880 it had climbed back to only 4,000,000 tons. Not until this century did her tonnage exceed that of 1855. But it never again came even close to acquiring that major share of the world's shipping which it had once possessed. Cutler, pp. 307-308.

The cost of doing business in those days was very heavy. Even worse, perhaps, than the mere heaviness of the levy was its uncertainty and inconvenience. Under such a system, it was naturally impossible to expect any great increase in American exports to China in those years. With the conclusion of the treaties, the establishment of a low Chinese conventional tariff put an end to all such vicious practices, and marked a turning point in the Chinese tariff history. The import tax on all foreign cargoes to China was now strictly limited to the rate base on a uniform five percent ad valorem duty, specified in a tariff, which formed an integral part of these treaties,²⁶⁶ and it was also definitely stipulated in the documents that no "presents" or commissions whatsoever should hereafter be paid by the American and other merchants.²⁶⁷ The elimination of all the irregular exactions of the Chinese customs officials actually meant a substantial reduction of the cost of American and foreign merchants in importing their commodities into China, and, therefore, acted as a strong stimulation to further the increase of American exports to the Chinese ports. In 1845-7, for example, the annual average value of American exports to China was less than two million dollars, but the value increased to three million dollars in 1851-3, and in 1858-60 leaped to eight million dollars.

4. The Reduction of Import Duties in the U.S.

Just at the same time when the establishment of a low

²⁶⁶C. Chu, The Tariff Problem in China (N.Y., 1916), p. 22.

²⁶⁷Ibid.

Chinese conventional tariff promoted the American export to China, American imports from China were greatly facilitated by the reduction of import duties in the United States. In 1846, Congress passed a new tariff bill

"with the avowed intention of putting into operation, as far as possible, the principles of free trade."²⁶⁸

Chinese tea, formerly a pure revenue article, was now admitted free of duty. This liberating measure at once naturally resulted in a rapid increase of American imports from China. In the meantime, the duty on many other manufactures and articles was also reduced to an average of thirty percent,²⁶⁹ and this reduction also exerted a great stimulating influence upon the ensuing growth in such imports of Chinese goods as raw and manufactured silks, species, wool and woollens, sugar, etc. Later, the Congress of the United States took further actions on the tariff system.

"The tariff act of 1857 took away still more from the restrictive character of the American tariff legislation, and until her Civil War the United States had a tariff, which, though not arranged completely or consistently on the principle of free trade, was very moderate in comparison with the later system after 1860."²⁷⁰

Under this moderate American tariff system, the imports from China during this period increased from seven million in 1845 to ten million in 1852, and to thirteen and a half million in 1860.

²⁶⁸F.W. Taussig, Tariff History of the United States (N.Y., 1931), p. 156.

²⁶⁹Ibid.

²⁷⁰Ibid.

C. THE COOLIE TRADE

The history of the coolie traffic is a sad result of the foreign intercourse which had been forced upon China and its people.²⁷¹ The trade began in 1849 when the Peruvians came to Canton to get Chinese laborers to dig guano on the Chinchas Island, Peru.²⁷² Later, the Americans, the British, Portuguese, and Spanish had taken no small share in this hideous "trade". In the fifties of the last century, the news of the discovery of gold in California and Australia, and of the demand at San Francisco, Peru and Cuba for cheap labor, was carried to China by the swift clipper ships across the Pacific Ocean, and attracted the Chinese in larger numbers. The planters of the New World too looked to China as a field for recruiting labor for the development of their estates. American bottoms, as well as those of some other countries, were drawn into the transportation of Chinese laborers to those various places, and the "traffic" was reaching its high tide by 1854. At Sawtow, in 1855, for example, out of a total of twelve ships carrying 6,388 coolies, America had five, taking 3,050.²⁷³ The Hongkong returns for the laborer trade for 1857 showed that out of a total of seventy vessels employed, twenty-two were American, while nine American ships brought coolies to Cuba.²⁷⁴

²⁷¹S. Wells Williams to Secretary Seward, Peking, April 3, 1866, (Dept. of State) Diplomatic Despatches Relating to China, Vol. XXIII, No. 27. (Hereafter cited as China Despatches.).

²⁷²Ibid.

²⁷³Parker to Secretary Marcy, Feb. 12, Mar. 11, May 7, 1856, House Ex. Doc. 105, 34 Cong., 1 sess., pp. 73, 691, 799; Bri. Parl. Papers, "Report to the House of Commons on the Coolie Traffic, ordered printed July 27, 1858," 43: 78 (1857-8).

²⁷⁴Ibid.

American ships continued to take part in the trade until 1862, when it was prohibited by act of Congress. The American diplomatic envoys in China had made their efforts to cooperate with the Chinese authorities in every measure which might be adopted to remedy the proved evils. Many reputable American firms in China withdrew from the coolie traffic, but some individuals brought much disgrace upon the American flag and added to the anti-foreign sentiment in China.²⁷⁵ So far as the two countries are concerned, this "coolie trade" resulted in the most unpleasant problem of Chinese immigration later. This problem not only caused much political strife in the United States herself but also led the Americans to deal unfairly with the Chinese emigrants, which cast a shadow on the relations between the United States and China in the latter part of the nineteenth century.

²⁷⁵Dennett, p. 537.

CHAPTER V

FROM THE TREATY OF TIENTSIN TO THE SINO-JAPANESE WAR

A. THE PERIOD OF SECRETARY SEWARD AND MINISTER BURLINGAME

During the period from 1861 to 1867, the government of the United States was represented in the Chinese Empire by its first formal resident minister at Peking, Anson Burlingame. The tenure of Mr. Burlingame's appointment coincided with the opening of a new era in the empire's foreign relations. The treaties of Tientsin in 1858, and the subsequent conventions in 1860, had opened more ports to foreign trade, and the capital, Peking, to the residence of foreign diplomatic representatives. Although the United States had not participated in the hostilities against the Manchu court, she had demanded and received most-favored-nation treatment in the new privileges won by the British and the French.

1. The Establishment of the Tsungli Yamen

After the withdrawal from the capital of the British-French allies in 1860, the Manchu Government was reorganized. The Tsungli Yamen, the Chinese equivalent of a foreign office, was formally established in 1861, and initiated a relatively efficient conduct of relations with the diplomatic representatives of the West. The imperial court remained, however, without envoys abroad, for the Chinese had not yet become convinced of the desirability of having such representatives.

The first president of the Tsungli Yamen was Prince Kung, the younger brother of the Emperor Hsien Feng, a man of

intelligence and a wise statesman with liberal tendencies. Although devoted to the culture and traditions of China, he recognized that the Westerners could not be expelled and that there was no alternative but to make the necessary accommodations for their residence. Although unwilling and unable to meet the broad intent of treaties that had been dictated, he strove to enforce compliance with their literal provisions.

2. The Policy of Secretary Seward

In the meantime, the attention of the American people was attracted to their own Civil War between the North and the South. Under President Lincoln, the Secretary of State was William H. Seward. No former Secretaries of State had had the statesmenlike outlook on the Pacific area and Far Eastern Asia which characterized him. This is evident from his previous record in the Senate. He was the most enthusiastic supporter of every movement to establish foreign commercial intercourse. "The nation," Seward said, "must command the empire of the seas, which alone is real empire." This empire, it seemed to him, must not only include the Atlantic, but also the Pacific. He had already predicted the day when the American interests on the Atlantic would relatively sink in importance, and had declared that "the Pacific Ocean, its shores, its islands, and the vast regions beyond" would become the "chief theatre in the events of the world's great hereafter." He made this famous assertion in 1852 while the Perry Expedition was in preparation. Seward also had a definite idea as to the function of the American people in the trade of the Pacific. He was convinced that foreign trade was to replace military conquest and to

become the vehicle for the commerce of idea. He favored the encouragement of Chinese immigration to California,²⁷⁶ and among the projects to which he lent persistent and energetic leadership were the construction of the trans-continental railroad and the inauguration of a line of mail steamers from San Francisco, via the Sandwich Islands and Japan, to China. Convinced that the Pacific was the great theater of future events, he sought in every possible way, after the close of the Civil War, to extend American influence throughout its entire area.²⁷⁷

3. Burlingame and Cooperation

President Lincoln in July, 1861, appointed Anson Burlingame, a former member of Congress from Massachusetts, as the first American minister to take up residence at Peking, with the responsibility of dealing directly with the Chinese imperial court under the changed conditions.²⁷⁸ Mr. Burlingame was a man of accomplished manners, wide experience and possessing considerable oratorical gifts. He was given a free hand by Secretary Seward, with instructions neither to lend aid to nor to countenance the ~~Tai~~^{ing} Rebellion, to secure order in the treaty ports, to give moral support to the Chinese party which was in favor of order, to encourage the adaption of progressive reforms and make an effort to substitute diplomatic action for force. Secretary Seward had enunciated the doctrine of "consultation and co-operation" when he instructed Mr. Burlingame that he was to

²⁷⁶China Instructions, Vol. I, Cir. No. 19.

²⁷⁷Works of William H. Seward, ed. G. Baker (N.Y., 1884), I, 51ff., 58, 230 ff., 249-250, 356; IV, 24, 25, 125.

²⁷⁸Frederick W. Williams, Anson Burlingame and the First Chinese Mission to Foreign Powers (N.Y., 1912), pp. 13-14.

"consult and co-operate with the British and French ministers, unless in special cases there should be satisfactory reasons for separating from them."²⁷⁹

As we have indicated, the cooperative policy in China was not initiated by Secretary Seward. As early as 1851, Dr. Peter Parker, acting as charge d'affaires at Canton, urged upon Secretary Webster a cooperative policy which would have for its object the prevention of Great Britain from undertaking belligerent measures against the Chinese Empire.²⁸⁰ He was at that time afraid that Great Britain would proceed to the partition of China. After the middle of 1853 the standing instructions to the American representatives in China was to cooperate with Great Britain, France and Russia, in all peaceful measures. This policy of cooperation, however, always broke down in application because the government of the United States could not reach an agreement, particularly with Great Britain, as to either the methods or the purposes of cooperation. Seward was bold and was willing to play politics on an international scale. A cooperative policy admirably served the purpose of Seward in 1861, because every measure was desirable which gathered any or all of the European powers into a concert with, rather than against, the United States at the opening of the Civil War.

a. Burlingame's Arrival in China

In October 1861, Mr. Burlingame arrived at Canton, where he had an interview with Loan (Lao Ch'ung-kuang), the

²⁷⁹Mr. Seward to Mr. Burlingame, March 6, 1862, Diplomatic Correspondence of the United States, 1861-62, pt. II, p. 839. (Hereafter cited as Diplomatic Correspondence.)

²⁸⁰Vide supra.

Governor-General of the Provinces of Kwangtung and Kwangsi. Loan soon returned his visit on board the Hankow, a fine American steamer. The manner of the interview was only important in that

"it was the first time any one of his rank, among the Chinese, ever came so near our western civilization, as manifested in the complex machinery of a steam-boat."²⁸¹

When Burlingame reached Shanghai in December, he learned that Ningpo had fallen to the rebels. He gave his full support to Frederick Townsend Ward and the Ever-Victorious Army.²⁸² During the winter of the year, Mr. Burlingame spent several months at the various ports opened by treaties in the South to familiarize himself with special problems and conditions, and with American interests in those places.²⁸³ He did not arrive in Peking until July, 1862. At the capital he found the British, French, and Russian representatives established in their legations.

b. The Jurisdiction of the Consuls

In August, 1862, the French consul at Shanghai, having jurisdiction at Ningpo, preferred a claim for a separate concession embracing the greater part of the area previously neutralized as a general settlement. Mr. Burlingame protested on the ground that any concession of territory would be an abridgement of American treaty rights. The Chinese ministers and the British and Russian envoys agreed with his views;²⁸⁴ even the new French minister concurred.

²⁸¹Mr. Burlingame to Seward, Nov. 14, 1861, Diplomatic Correspondence, pt. II, p. 825.

²⁸²Ibid., pp. 826-845.

²⁸³Ibid.

²⁸⁴Mr. Burlingame to Mr. Seward, May 1, 1864, Foreign Relations of the United States, 1864, III, p. 379; Sir F. Bruce to Mr. Burlingame, May 18, 1864, Ibid., p. 380. (Hereafter cited as Foreign Relations.)

The jurisdiction of the consuls over their own nationals was, in general, effectively exercised. But the American consuls were not equipped with proper machinery - such as jails, constables and the Supreme Court for appeals - and the executive of justice was, in consequence, defective. On this Mr. Burlingame remarked:²⁸⁵

"The authorities of the United States were laughed at and our flag made the cover for all the villains in China....There has been a regular exodus of foreigners from China since."

Appeals from the American consular courts were carried to the legation in Peking, until the establishment, on January 2, 1907, of the United States District Court for China.

c. Treaties Signed Between China, Denmark And The Netherlands

In 1863 the Chinese authorities signed treaties at Tientsin with Denmark and with the Netherlands. Both contained a specific grant of all the privileges of the treaties signed in 1858, and in both was a most-favored-nation clause. To the Danish Treaty were appended the rules of trade of the clause prohibiting the export of pulse and bean-cake from Newchwang and Tenchow (Chefoo). The privilege thus granted accrued at once to the Americans.²⁸⁶

d. The Cooperative Policy

Largely by virtue of his vigorous and magnetic personality, Mr. Burlingame soon became the outstanding western diplomat at Peking.²⁸⁷ To meet a numerous assortment of problems in relations between China and the United States,

²⁸⁵Mr. Burlingame to Mr. Seward, June 2, 1864, Ibid., p. 395.

²⁸⁶Morse, International Relations, II, 117.

²⁸⁷For details of establishing the U.S. Legation at Peking, please see S. Wells Williams, Secretary of Legation, to Burlingame, Peking, Sept. 15, 1862, China Despatches, Vol. XX, Encl. A in Burlingame's No. 25.

Burlingame, by reason of his liberal instruments, was able to apply with much success the so-called cooperative policy. This policy was based on the assumption that the interests of the treaty powers in China were identical. The purpose of the policy was by united diplomatic pressure to ensure the fulfilment of the treaties without the necessity of recourse to force. After consulting at length with the diplomatic representatives of Great Britain, France and Russia at Peking, Burlingame defined their common policy in his despatch to Secretary Seward as follows:

"... while we claim our treaty right to buy and sell, and hire, in the treaty ports, subject, in respect to our rights of property and person, to the jurisdiction of our own governments, we will not ask for, nor take concessions of, territory in the treaty ports, or in any way interfere with the jurisdiction of the Chinese Government over its own people, nor ever menace the territorial integrity of the Chinese Empire. That we will not take part in the internal struggles in China, beyond what is necessary to maintain our treaty rights. That the latter we will unitedly sustain against all who may violate them...."288

Secretary Seward felt that the application of such a policy was almost too much to expect. He wrote to Mr. Burlingame:

"One may very reasonably fear that the beneficial policy thus agreed upon would fall into disuse if those ministers, or any of them, should at any time give place to less intelligent and able statesmen. But this consideration does not deter the President from giving it his entire approval; and he sincerely hopes that a successful trial of it, during the residence of those ministers in China, will render its continuance afterwards a cardinal fact in the policy of all the maritime powers."289

Both Seward and Burlingame realized that, unless it should be possible to get the great powers unanimously to support it from their home offices, so idyllic a policy could be maintained no longer than the period during which its personal supporters remained in the Chinese capital.

288 Diplomatic Correspondence, 1863-64, Pt. II, p. 859 ff.

289 Ibid., p. 882.

e. The Alabama Affair

Mr. Burlingame's action was, however, greatly appreciated by the Chinese officials of the Tsungli yamen. When the Confederate cruiser Alabama appeared in the China waters, where she had destroyed several American ships, Burlingame requested the Chinese Government to forbid her entry into any of the Chinese ports or to allow its subjects to furnish any supplies. An edict was promptly issued ordering the authorities along the coast to prevent all such vessels from entering Chinese ports. Such an order would have saved the American commercial marine from wholesale destruction. This was clearly evident of the close friendship between Burlingame and the Chinese officials.

f. The Achievement of Burlingame

Burlingame was a man of great charm and by nature was understanding, sympathetic and tactful. He entered upon his mission in full accord with the spirit of friendliness and forbearance which actuated his government towards China. His frankness and enthusiasm had gained the respect and confidence of both the Chinese officials and the other diplomatic representatives resident at Peking. During most of the period of his stay in China the United States was pre-occupied with the critical problems of the Civil War, and Secretary Seward practically allowed him to act freely. Hence American policy toward China from 1861 to 1867 was in effect the policy of Burlingame. In the six years of his residence in China, he

"required few suggestions or instructions. He appeared in China in the calm which followed the storm. It was a period especially favorable for constructive work such as must follow destructive war. Notwithstanding his enthusiasm and amiability, Burlingame was a masterful personality, sure to dominate any situation. He dominated Peking while he was there, and in like measure he dominated American policy in

"China. Seward wisely permitted Burlingame to have his way; there were between them no conflicts, nor even differences of opinion. Even the customary long letter of instructions usually given to a new minister was omitted. Seward's part in Chinese policy was limited to approval of Burlingame...."²⁹⁰

As a result of the intelligent policy of the Chinese officials in the Tsungli-yamen and the tact and friendly disposition of Mr. Burlingame, no questions of serious difficulty arose between China and the United States, or with the European powers, during the term of Mr. Burlingame's mission. In 1867, he decided to resign and return to his home country to re-enter domestic political life. Upon resigning his post in November, he, however, accepted an appointment as head of a mission from China to the Western powers. This was the first diplomatic mission sent by the Chinese Empire to the United States and the European nations. Generally known as the Burlingame mission, it represented the earliest move on the part of the Chinese Government to deal with Western nations in accordance with practices generally accepted by the latter.

4. The First Chinese Mission

a. The Purpose of the Burlingame Mission

During the first half of the nineteenth century all efforts made by the Western envoys to establish satisfactory diplomatic relations with the imperial court were frustrated, the traditional Chinese conception of the absolute superiority of their civilization and the primacy of their emperor making formal intercourse on the basis of equality impossible. The first Sino-British War, the so-called Opium War, was to a very large extent brought on by the friction resulting from the

²⁹⁰Dennett, p. 410.

Chinese attitude of superiority and their consideration of foreigners as barbarians. Although the terms of the treaty of Nanking, which was signed in 1842, stipulated that diplomatic and consular officials should be treated as equals by the Chinese officials of corresponding rank, Peking, the capital of the Empire, remained closed to the stationing of the foreign envoys. In the early 1850's, the foreign diplomatic representatives assigned to China, after realizing that it was impossible to obtain satisfaction from the Canton governor-general who alone was authorized to deal with foreign envoys, decided to go directly to the north and resort to armed forces. As a result, the imperial government was finally forced to accept the residence of foreign ministers in the capital. By 1861 the Tsungli yamen was established for dealing with the foreign affairs. The foreign representatives were, however, not received personally by the emperor because of their refusal to kowtow in the manner required of all persons coming into his presence.

The Chinese were not willing and were forced to accept the establishment of the foreign legations. So there was no doubt that they made no effort to send their own diplomatic representatives to other countries. When pressed on the subject by foreign envoys, high Chinese officials usually replied that the Treaty powers had commercial and missionary interests in the empire, which required the attention of diplomatic and consular representatives, but China had no such interests abroad to demand the presence of Chinese envoys.²⁹¹ They, however,

²⁹¹IWSM, Bk. L, 32a, 2-4.

were constantly subjected to the arguments of foreigners, who pushed the matter because they felt that China's reticence was due to her refusal to accept their countries as her equals. Among them Burlingame, Robert Hart, inspector-general of the Chinese Imperial Maritime Customs, W.A. Martin, a teacher in, and later head of, the Tung-wen-kuan,²⁹² who were influential with the high Chinese officials of the Tsungli yamen, urged the matter because they felt that the presence of Chinese representatives abroad would be of great benefit. They had been advocating the establishment of a resident mission at the capital of every treaty power, in order that the Chinese administration should be able to present its views and desires directly, and not solely through the foreigners in China. It was especially desirable, too, that China should be informed, through her own representatives, of the aims of Western governments and of their power to enforce their wishes. In 1865, Secretary Seward had strongly urged that such a step should be taken.²⁹³

The foreign merchants in China were looking forward to the date 1868, when they should be free to demand a revision of the treaties in a sense which would secure a more faithful execution, and even an extension, of the privileges which they had obtained. Of this intention the imperial officials were fully aware; they knew especially that the British merchants - never as contented as their government with the advantages

²⁹²The Tung-wen-kuan was an official school established in Peking in 1862 by the Tsungli Yamen to teach foreign languages and later Western sciences.

²⁹³Williams, pp. 285-6.

secured under that treaty - were preparing to urge upon China further demands, some of which the Imperial authorities intended firmly to resist.²⁹⁴ Perhaps the most important of the expected demands, in the estimation of the Chinese, was the throwing open of China, regardless of treaty ports, to railways and telegraphs. This would counter the movement for stiffening the treaties and preventing the disordered state of the country from leading to armed intervention and naval demonstration; these would provide a sufficient reason for any statesman to make sure that his country's case was properly and clearly represented to the rulers of other nations. There were other general reasons. The Chinese authorities, by former experience, saw that any resistance to the demands of foreign powers might lead again to invasion and war. The more liberal element in the imperial court was already having a most difficult time in the face of the anti-foreigner group, and the use of further forces by foreign nations would cost the liberal party its leadership and result would be fatal for China.

In the middle of November, 1867, Mr. Burlingame called at the Tsungli yamen to bid Prince Kung and the other officials farewell in view of his intention to resign his post and return to the United States.²⁹⁵ During an exchange of compliments, Wensiang, a member of the Tsungli yamen, made a suggestion that Burlingame might serve China, on his return to America, by doing what he could to explain China's intentions and to correct misapprehensions. Burlingame immediately expressed his

²⁹⁴Diplomatic Correspondence, 1866-67, Pt. I, No. 156, p. 487.

²⁹⁵Burlingame to Secretary Seward, Dec. 14, 1867, Diplomatic Correspondence, 1868, Pt. I, p. 494.

willingness to render the empire his service, whereupon Wensiang suggested that he might represent China officially.²⁹⁶ The Chinese Government apparently felt that Burlingame would be able to obtain concessions which they themselves could never hope to gain.²⁹⁷ Before he accepted the offer, Burlingame had consulted Mr. Robert Hart and other foreign diplomatic representatives, who heartily approved of the action of the Chinese Government, and pledged him their support in his new mission. In sending his resignation to Secretary Seward before accepting his new position, he indicated that he did so

"in the interests of my country and civilization... I may be permitted to add that when the oldest nation in the world, containing one-third of the human race, seeks, for the first time, to come into relations with the West, and requests the youngest nation, through its representative, to act as the medium of such change, the mission is one not to be solicited or rejected."²⁹⁸

With the exception of this and his personal reasons, the most important reasons why he accepted the service for China were not difficult to see. There were obviously many serious obstacles in the path of continued international cooperation in China. It depended in the first instance upon the willingness of the diplomatic envoys in Peking as a group to exercise a large measure of patience. Fortunately for Burlingame, he found the British, French and Russian representatives were willing to follow his lead and could work together. But there was always the danger that less enlightened statesmanship on the part of any single foreign envoy would upset the whole program advocated by him.

²⁹⁶IWSM., Bk. LI, 27b, 1-2.

²⁹⁷Ibid., 3-5.

²⁹⁸Diplomatic Correspondence, 1868, Pt. I, p. 494.

If the program were to fail, it was clear to him that the consequences must eventually be most serious, not only for China but for the whole world, and probably lead to the partition of the Empire. To avoid such a calamity in the future, a guarantee to support the policy of cooperation from the home offices of various governments of the treaty powers must be secured by agreement. With the hope of effecting this, Burlingame accepted the formal offer on November 18.²⁹⁹

Three days later, he was commissioned by the emperor as his ambassador extraordinary, accredited to all the courts of the countries having treaty relations with China, to which he was to proceed in turn. The imperial edict stated that

"The foreign office has memorialized to the effect that the minister, Anson Burlingame, is even-tempered in dealing with matters and is conversant with the general conditions of China and foreign countries. He is therefore appointed to go to the Treaty Powers as Minister for the Management of Chinese Diplomatic Relations with the Powers. The other matters are to be carried out as recommended."³⁰⁰

In spite of the reasons we have indicated above, the Tsungli yamen assigned two general ones for sending this mission, namely, that misunderstandings had resulted from the fact that foreign governments were in possession of full information concerning the Empire, whereas the Chinese were ignorant of conditions in the West, and that China had no means of checking the improper actions of foreign diplomatic representatives at Peking since she did not have access to their superiors.³⁰¹

The instructions given Burlingame by the Tsungli yamen, in which his powers and limitations were defined, pointed out in

²⁹⁹IWSM, Bk. LI, 28a, 4-5, 29a, 6-7.

³⁰⁰Ibid., 28b, 4-29a, 1.

³⁰¹Ibid., LII, 6a-6b; Diplomatic Correspondence, 1868, Pt. 1, p. 494.

the first place that only those diplomatic dealings which would result in benefits both to China and to the countries being dealt with were to be permitted, but that neither country should resort to coercion in securing them.³⁰² The instructions also pointed out that the despatch of this mission was an experiment and was quite different from the sending of permanent diplomatic representatives. The mission was to stay abroad only for one year, but the Tsungli yamen promised that if on its return it was found that satisfactory results had been obtained, the matter of sending permanent missions would be brought up for consideration.³⁰³ The letters of credence, eleven in number, were written in Chinese and Manchu on imperial yellow paper, expressing a desire that the friendly relations between China and the named nation might be perpetuated. The emperor would be deeply gratified by the establishment of permanent peace and harmony among all nations.³⁰⁴

b. The Mission in the United States

Burlingame and the Chinese mission left China on February 25, 1868, and arrived at San Francisco on April 1st. They spent nearly a month in that city and met with the heartiest receptions. Then the group left for Panama and, after proceeding across the Isthmus by rail, took ship again and reached New York on May 30.³⁰⁵ At a banquet given on June 23 at New York by the Governor of that state, Mr. Burlingame asserted in his speech³⁰⁶

³⁰²IWSM., Bk. LI, 27a, 3-6.

³⁰³Ibid., Bk. LII, 2b-5a.

³⁰⁴Diplomatic Correspondence, 1868, Pt. 1, pp. 601-02.

³⁰⁵IWSM, Bk. LXIX, 16a, 4-9.

³⁰⁶Williams, p. 138.

that China

"is willing to trade with you, to buy of you, to sell to you, to help you strike off the shackles from trade. She invites your missionaries. She tells the latter to plant the shining cross on every hill and in every valley."

and he continued

"Let her alone; let her have her independence; let her develop herself in her own time and in her own way. She has no hostility to you. Let her do this, and she will initiate a movement which will be felt in every workshop of the civilized world. She says now: "Send us your wheat, your lumber, your coal, your silver, your goods from everywhere - we will take as many of them as we can. We will give you back our tea, our silk, free labour, which we have sent so largely out into the world."...She wishes simply that you will do justice. She is willing to exchange thoughts. She is willing to give you what she thinks is her intellectual civilization in exchange for your material civilization...."

and he urged the Western engineers to engage in opening mines and building railways, and stated that she had entered on the path of progress.³⁰⁷ His eloquence swept his audience off their feet, and aroused the enthusiasm of the American people at large. Needless to say, it was not shared by most of the "old China hands", those who knew China intimately from long years of residence and experience there.³⁰⁸

c. The Treaty of 1868

After a ten-day stay in New York, the mission proceeded to Washington, where they were received by President Andrew Johnson, who noted a protest that American representatives in China had not yet been received in audience by the Chinese emperor.³⁰⁹ Later on, Secretary Seward drafted eight articles

³⁰⁷For the full text of Burlingame's speech, please see Ibid., pp. 134-139.

³⁰⁸Alexander Michie, The Englishman in China (London, 1900), II, 169.

³⁰⁹Secretary Seward to Burlingame, June 3rd, 1868, Diplomatic Correspondence, 1868, Pt. I, p. 603.

as supplementary to the Treaty of Tientsin, which were signed on July 28, known as the Burlingame treaty.³¹⁰ These eight articles made clear the policy of the United States Government toward China at that time and long after.³¹¹ Of these articles, the first one emphasized the maintenance of the territorial integrity of China by recognizing the eminent domain of the latter over "certain tracts of land" or "certain waters" to which foreigners had been granted access for residence and trade. China's "right of jurisdiction over persons and property" in any area which had been, or might be, granted to the United States for purposes of residence or trade was also provided - a limitation upon extreme pretensions of advocates of extra-territorial rights of foreigners in concessions and international settlements. Inland trade and navigation were reserved to China by Article II. Appointment of Chinese representatives to the United States, who should be treated as well as British and Russian envoys, was arranged by Article III; this was in keeping with American and British policy to persuade China to assume the duties of a sovereign state in the family of nations. Freedom of conscience for American citizens in China, and for Chinese Christians in both China and the United States, was promised by Article IV. Free, but not contract, emigration was provided for in Article V. The next article (VI) guaranteed the most-favored-nation treatment for Americans in China and Chinese in the United States. Reciprocal educational rights were agreed to in Article VII. The last article of the

³¹⁰IWSM, Bk. LXIX, 17b, 2-5.

³¹¹U.S. Compilation of Treaties in Force, pp. 115-118.

supplementary was regarded by the Manchu officials as the most valuable. Because the Government of the United States stated in it her determination not to intervene "in the domestic administration of China in regard to the construction of railroads, telegraphs, or other material internal improvements". Should China, however, request the services of engineers at any time the United States agreed to dispatch them. The way was further prepared for the sending of foreign advisers to help the Chinese Government later.

d. The Mission in Europe

The mission left Washington on July 31, 1868, for New York and on September 9, after visiting Boston and other cities, sailed for England. It reached London on September 19. There it succeeded in securing from Lord Clarendon, Minister for Foreign Affairs in the new Gladstone administration, a declaration of a new British policy toward China. The Liberal Government virtually promised to abandon its former policy of resorting to force in securing commercial advantages in China and also to repudiate its custom of bringing pressure to bear locally to secure the fulfilment of treaty obligations.³¹²

The mission travelled to France, Belgium, Sweden, Denmark, Holland, and Prussia. On January 31, 1870, the mission left Berlin for Russia, in which country Burlingame suffered an attack of pneumonia and passed away on February 23. After visiting Brussels and Rome, the rest of the mission returned to China in October. On the European Continent the party did not secure as important results as it had been able to

³¹²IWSM, Bk. LXXII, 9a, 2-3.

obtain in the United States and England. The French Government refused to commit itself in any way; Burlingame died before anything could be accomplished in Russia, and relations with the other countries visited were of little importance to China. The mission was, however, a necessary link in the chain that was drawing China and the Western countries together.

e. The Effect of the Mission

In so far as relations between the United States and China were concerned, the Burlingame mission had resulted in a great increase of American interest in the Empire. It both strengthened the traditional sympathy of the American public for the Chinese people and fortified the popular belief in the immense potentialities of the China market.

"Yet by raising far too high the hope for more practical co-operation on the part of the Imperial Government, and by painting a much too promising a picture of China's progress along the road to internal stability and reform, it led to keen disappointment and a subsequent decline in the friendly relations it had hoped to promote."³¹³

The foreign merchants in China were, however, bitterly opposed to the change of policy, which, it was felt, would danger commercial interests as well as the cause of progress. This fear was intensified by a series of anti-foreign and anti-missionary disturbances. The foreigners in China felt that the Chinese hostilities were only kept in check by a continuance of the policy of force. But Burlingame and Secretary Seward might think that existing conditions could not endure forever, that China must be given opportunities to stand on her own feet. The Treaty of 1868, implying as it did that the United States

³¹³Dulles, America and China, p.75.

would bring no pressure to bear upon a China looking to the adoption of western improvements such as railroads, telegraphs, etc., was in part a threat to the cooperative policy of which Burlingame himself was likewise the author. It was, however, Burlingame's hope that all the treaty powers might use restraint in their demands for treaty revision, and thus that the co-operation policy might be preserved. But carried away somewhat by his own eloquence, Burlingame had pictured a China whose major purpose was to grasp the fundamentals of Western civilization. It remained only to permit China to choose the time and the character of her reforms.

5. The Policy of J. Ross Browne

a. Browne's Criticisms of American Policy

One of the most vigorous spokesmen on the subject of American policy in China during the later half of the nineteenth century was J. Ross Browne of California, who succeeded Burlingame as American minister at Peking in March, 1868. Browne's arrival in China coincided with the conclusion of the Seward-Burlingame Treaty, and he had been assigned to exchange the ratifications of the Burlingame Treaty with the imperial government. The principal contribution made by Mr. Browne to American policy lies in his critical and penetrating analysis of the conditions in China at that time.³¹⁴

"An impression seems to have been obtained in the United States that the government of China is peculiarly friendly to our country and that treaty advantages to our commerce are about to accrue from this preference...I need scarcely say these anticipations are without foundation. The government of China may have preferences; but it has no special regard for any foreign power. The dominant feeling is

³¹⁴J. Ross Browne to Secretary Seward, Nov. 25, 1868, China Dispatches, Vol. XXV, No. 7.

antipathy and distrust towards all who have come in to disturb the administration of its domestic affairs."

He was of the school of thought of Caleb Cushing; he did not advocate the exploitation of the empire, but neither did he believe in a policy of coddling. He believed that for its own good, as well as for America's, China must be held strictly to account with regard to treaties.

b. Browne's Opinion on Opium

Mr. Browne was very much concerned about the use of opium by the Chinese. In his letter to Secretary Seward, he pointed out that the industrialization of China and the enlargement of the area of foreign intercourse were the true remedies for the evils. He thought that this tremendous evil could not be cured by prohibitive means, even if all foreign countries were voluntarily to unite in an attempt to suppress it. An improved standard of morality based upon a higher appreciation of their own capacity and destiny was the only true remedy to which he could look for the reformation of the Chinese; and this, he thought, could best be attained

"by improving their industrial condition and enlarging the area of foreign intercourse, which would give efficiency to the labors of the missionaries and adequate protection to their proselytes. In other words, railroads, telegraphs and the opening mines will tend more than all other means to remove existing prejudices."³¹⁵

promote a good understanding between races, and cause those civil, political and religious reformations essential to the enlightenment of the Chinese.

c. The Recall of Mr. Browne

At the beginning of the year of 1869, Browne wrote to

³¹⁵Ibid.

Prince Kung, requesting the appointment of an official to exchange the ratifications of the Burlingame treaty. But Prince Kung stated in reply that the imperial government considered it advisable to await the return of the mission in order that the new articles might be discussed with its members before ratification and exchange were effected.³¹⁶

On a later occasion, he declared that since the United States had been the recipient of all favors gained by British or French arms, the Americans were considered by the Chinese to be "accomplices in the acts of hostility committed by those powers." In Washington, Browne's views appeared to have been regarded as too vigorous, and his criticism of the policy of his government contributed to his recall in July, 1869; yet in the main, they formed the substance of the instructions received by his successors.

6. The Policy of S. Wells Williams

a. Williams' Opinion on the Character of Chinese Officialdom

In contrast with the vigorous and at time unrestrained statement of J. Ross Browne were the more temperate but nonetheless critical appraisals of S. Wells Williams on the characteristics of Chinese and Manchu problems. Dr. S. Wells Williams began his diplomatic career in 1853 as secretary and interpreter to Commodore Perry in Japan, and for twenty years had acted as secretary and often as charge d'affairs of the American legation in China. His opinions on the character and experience of Chinese officialdom were the more significant because of his understanding of and sympathy for the Chinese. Through him,

³¹⁶China Despatches, Vol. XXVI, Browne to Secretary Fish, (undated).

Secretary Fish's³¹⁷ remarks on the completion of the Pacific Railroad on the American Continent, and the consequent increase in trade between China and the United States, as the facilities afforded to it, and the ocean steamers were developed,³¹⁸ had all been, in one form or another, made known to the Chinese officials. The course and length of the road, the details of its construction, the numbers of Chinese employed upon it, and the influence it was likely to exert upon the two countries, had all been illustrated and experienced to them. But he found that they were so unacquainted with such enterprises, and so imperfectly understood the reciprocal relations of nations, that all his efforts failed to interest them. The true cause lay, he found out, in the fact that they had no direct intercourse with foreigners. With them they had no communication, and they took no measures to inform themselves directly of the foreigners' views, or the condition of foreign countries. In addition to this, there was another difficulty of introducing a railroad or steam machinery to China. This was

"the fear of the trading classes that the introduction of these novelties will take away the trade from them to transfer it to foreigners, who alone can manage them. This class is more powerful almost than the official, and is made up of separate guilds and associations which over-rule the minutest details of trade, and generally thwart whatever they cannot manage."³¹⁹

The recent proposition to throw open the whole country to foreign merchants, and let them carry their goods by steam through every river, startled the Chinese trading classes. They had not yet,

³¹⁷In March, 1869, Andrew Johnson had been succeeded by Ulysses S. Grant, and Wm. H. Seward by Hamilton Fish.

³¹⁸Williams to Fish, September 1, 1869, China Despatches, Vol. XXVII, No. 61.

³¹⁹Ibid.

in Williams' opinion, reached that intelligence derived from wide experience, which would enable them to see that they could easily control the inland traffic. He was of the opinion that the opposition to foreigners going into the interior to reside, which had recently been manifested against missionaries, had its origin and strength very much in this feeling. Very many of the literati and officials were indirectly concerned with trade, (for degrees and rank are open in China to all), and they would side with restrictive measures as the most likely to preserve their rights.³²⁰

b. The Ratification of the Treaty of 1868

In October, 1869, Williams, again American charge d'affaires after the recall and departure of Browne, reminded the Tsungli-yamen of the exchange of the ratification of the Treaty of 1868, and was informed by Wenhsiang of the similar reply made to Mr. Browne last spring.³²¹ In the meantime, Burlingame and the members of his mission found their activities in Europe seriously handicapped by the fact that the imperial government had not yet formally accepted the agreement they had signed in Washington. The outbreak of anti-foreign demonstrations in China shortly after the departure of the mission had also tended to undermine confidence in the sincerity of the Chinese Government. So J. McLeavy Brown, first secretary of the mission, was sent back to Peking personally to urge the Tsungli-yamen to secure the ratification of the American treaty.³²²

³²⁰Ibid.

³²¹Ibid.

³²²IWSM, Bk. LXIX, 14a-21b; 14b, 4-15b, 3.

Soon, one of the ministers of the Tsungli-yamen, Tung Hsun, was appointed to act as the representative of the emperor with full power to exchange the ratification of the eight supplementary articles to the Treaty of Tientsin with the American representative, S.W. Williams.³²³ On November 23, the exchange was effected. Immediately, the copies of the treaty were sent to the high officials in the open ports.³²⁴

7. Chinese Bestowal Upon Burlingame

As soon as the officials of the Tsungli-yamen received their first information of Burlingame's death in March, 1870,³²⁵ they wrote at once, ordering them to send more information. After receiving the details of Burlingame's case, they had turned over to his widow 6,000 taels from the funds of the mission to pay for sending his body to his home country. Because Burlingame died in the service of China, the emperor was requested by the officials of the Tsungli-yamen to bestow, posthumously, the bravest first official rank upon Burlingame and to grant to his family an additional sum of 10,000 taels to show that China made proper provision for its envoys.³²⁶

8. The Contributions of Secretary Seward and Anson Burlingame

William H. Seward resigned on March 3, 1869, after having served as the Secretary of State for eight years. His term of office was marked not only by a prophetic appreciation of the significance of the Pacific but by a strengthening of

³²³Ibid., 15b, 4-6.

³²⁴Ibid., 38b, 9; 39a, 2-39b, 4.

³²⁵Williams, p. 263.

³²⁶IWSM, Bk. LXXII, 92, 2-10a, 9.

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American interests in Eastern Asia. On March 30 he concluded a treaty with the Russian minister to America, for the purchase of Alaska and the Aleutians. Acquisition of the two places gave to the United States the strategic position in the Pacific Ocean and it also brought the country into closer proximity to China. After his retirement in 1870, he made a tour of China. When one of the American merchants was very critical of the weakness of the American policy toward China, he reminded him of the difficulties of the American Civil War, and pointed out the alleged deficiencies of the influence of the United States in the Empire, and remarked:³²⁷

"I think we are obliged to conclude from all these premises that a policy of justice, moderation and friendship is the only one that we have had a choice to pursue, and that it had been as wise as it has been unavoidable." He concluded: "The United States cannot be an aggressive nation...least of all against China."

By 1869, the policy of the United States in China had not only been formulated, but acted upon on more than one occasion. The American policy in the period looked toward maintenance, through diplomatic channels, of independence and territorial integrity of the Chinese Empire, opening her to more foreign commercial intercourse, most-favored-nation treatment for American subjects, ensuring of the fulfilment of her specific treaty obligations and her general duty as a member of the family of nations. Although Great Britain was the first nation who led other powers to open China's door to intercourse with the West, the treaty of most significance down to 1858 was that of Wanghia concluded in 1844 by Mr. Caleb Cushing, the representative of

³²⁷William H. Seward, Travels Around the World (New York, 1873), p. 216.

the United States. From 1856 to 1860, Great Britain was decidedly in the lead, but after the treaties of 1858 were signed, it was Mr. Burlingame who took the lead in a cooperative policy. Since the death of Mr. Burlingame and the retirement of Secretary Seward, absolutely no new principles have been added to American policy toward China.

B. FREDERICK F. LOW'S TERM OF OFFICE

1. American Policy in China

After the recall of Mr. Browne, the position of American minister to China was assigned to Mr. Frederick F. Low. He was instructed to demonstrate to Prince Kung the sincerity of the United States in its wishes for the maintenance of the authority of the imperial central government and for the peaceful spread of its influence. In the instructions, Secretary Fish stated that³²⁸

"...you will not fail to make it distinctly understood that he (the president) will claim the full performance, by the Chinese government, of all the promises and obligations which it has assumed by treaties or conventions with the United States. On this point, and in the maintenance of our existing rights to their full extent, you will be always firm and decisive...you will be unyielding in demanding the extreme protection to American citizens, commerce, and property which is conceded by the treaties and in requiring the full recognition of your own official position to which you are entitled."

Mr. Low profited as greatly from Browne's policy as Browne himself had suffered from that of Burlingame. His arrival in China coincided with the audience question.

2. The Audience Question

The audience question had been a vexing one from the

³²⁸Foreign Relations, 1870, p. 303.

moment of the arrival of the first foreign ministers at Peking, for the foreign envoys had demanded the right to present their credentials to the emperor in person. This was the custom in western countries, but the Chinese were willing to accede to this demand only on the understanding that the foreigners would perform the kowtow.³²⁹ The foreign ministers refused to perform this ceremony on the grounds that it reflected upon the dignity of their countries and themselves. A compromise had been worked out by eliminating the imperial audience during the minority of the emperor. On April 30, 1872, Tung Chih Emperor reached his majority, and February 23, 1873, was the date for his assumption of the direct governing of the country. On the next day Mr. Low joined with the representatives of other countries in sending a collective note requesting an audience with the Emperor to offer their congratulations and to present to His Majesty their credentials in person. The Tsungli-yamen assumed the same position as that maintained by the court when Mr. Ward arrived at Peking,³³⁰ - that it would be necessary for the foreign ministers to perform kowtow before the throne.

Early in March a second note was sent. The foreign envoys had long expected that they would at last be admitted to an audience as representatives of equal and friendly nations, so they refused to do anything which would imply inferiority of their countries. They regarded kneeling as an act of abasement, they could not permit themselves to do it. Secretary Fish in his instructions to Mr. Low declared that while questions of ceremony were not usually seriously considered in America, in the case of

³²⁹Morse, International Relations, I, 48, 49, 54, 57, 478, 560, 580.

³³⁰Vide Supra, see Mr. Ward's mission.

the empire it involved the official equality of nations and became a question, not of form merely, but of substance, requiring grave consideration. Mr. Low was instructed "to proceed carefully and with due regard for the inveterate prejudices and the grotesque conceit of the Chinese courtesies,"³³¹ but if he should fail to make out a correct solution, he was authorized to go to the extreme of suspending official intercourse. The discussion on the subject continued for about four months. Finally an agreement was reached between the Chinese officials and the diplomatic representatives, in which three bows were accepted as a sufficient mark of respect to the emperor.

On the morning of June 29, 1873, the ministers plenipotentiary and charges d'affairs entered together, in order of precedence according to the date of their arrival at Peking, into the Tzukwangko, the Palace of Purple Light, where Mr. Low was the second in line received in audience. This audience was a noted event in the history of Chinese foreign relations with the United States and other nations, as it marked another step towards conformity to Western diplomatic intercourse.

3. The Chinese Educational Mission

During the term of Mr. Low's office, another move was taken towards a more liberal policy, which greatly stepped up the relations of the two countries. As early as 1874, Yung Wing, a native of Kwangtung Province, was taken by an American, Mr. S.R. Brown, to the United States. He graduated from Yale College and returned to China in 1854, convinced that China needed men like himself, thoroughly equipped with Western learning.

³³¹ Secretary Fish to Mr. Low, March 15, 1873, China Despatches, Vol. XXXIV.

Through the help of Tseng Kuo-fan and Li Hung-chang, the Chinese Educational Mission was sanctioned in August, 1871. Mr. Low was informed that the imperial government had determined to send a number of Chinese youths to the United States to be educated at government expense. By the good offices of Mr. Low, this proposal was soon accepted by the Washington government.³³² In 1872, thirty students had been sent to New England. After being there, they were divided into small groups, no more than two students in each group, and settled in different American families. There they were attending famous schools and colleges to study western languages and cultures. Thirty more were sent in 1873, and they were followed by others. Later on, 120 students were studying in the United States until their recall in 1881.

4. The Formosa Affair.

Another aspect of the Sino-American relations during Low's term of office can be seen in the Formosa Affair. In 1874, the Formosa Affair occurred between China and Japan. The Liuchiu (Ryukyu) Islands were for centuries tributary to China, but also sent tribute to Japan at times. China did not pay much attention to those islands, but Japan made every endeavour to expand her influence southward. In December, 1871, some Liuchiuan sailors were killed, according to Japanese reports, by the aborigines on Formosa after their ship wrecked on the island. The Japanese Government now demanded redress for the deaths of its Liuchiuan subjects. Although the Chinese regarded Liuchiu as a part of their territory, they did not lay an

³³²Foreign Relations, 1872, p. 130; 1873, pp. 140-186.

official counterclaim to suzerainty in answer to Japan's statement that the islands had always belonged to Japan. Moreover, the Chinese notified the Japanese that China claimed no control over the aborigines on Formosa. On this pretext, the Japanese Government decided to follow its own course, and, in April, 1874, dispatched an expedition to Formosa. With these Japanese were associated three American military and naval officers, General Le Gendre, retired, and Lieutenant-Commander Cassel of the Navy, and Lieutenant Wasson of the Army, both on the active list.³³³ The American Government at first took no action to restrain Americans from engaging in the Japanese service; but, at the last moment, forbade the use of American vessels as transports.³³⁴ There was more hesitation in prohibiting American officers from lending their services; but when China had finally decided to stop the expedition, the American consul at Amoy sent them a formal order demanding their withdrawal,³³⁵ but they paid no attention to it.³³⁶ In August, however, General Le Gendre was arrested by the consul at Amoy, was sent to Shanghai, and was there released, as "it seemed that a prosecution before the consul under the neutrality act must fail."³³⁷ At the same time, Commander Cassel's leave was revoked.³³⁸ At last, all American officers withdrew from the expedition. On

³³³J.W. Davidson, The Island of Formosa (London, 1903), chaps. x-xii.

³³⁴Mr. Bingham to Secretary Fish, Tokei, April 22, 1874; Secretary Fish to Mr. Bingham, June 6, 1874, Foreign Relations, 1874, pp. 675, 687.

³³⁵Secretary Fish to Mr. Williams, July 29, 1874, Ibid., pp. 300, 318.

³³⁶Secretary Fish to Mr. G.F. Seward, Aug. 26, 1874, Ibid., p. 332; Davidson, p. 157.

³³⁷Mr. G.F. Seward to Mr. Cadwalader, Sept. 2, 1874; Mr. Cadwalader to Mr. Seward, Nov. 2, 1874, Foreign Relations, 1874, pp. 340, 348.

³³⁸Mr. G.F. Seward to Mr. Cadwalader, Sept. 2, 1874. Ibid.

this subject, Mr. Avery, who succeeded Mr. Low as the American minister at Peking, stated in his letter to Prince Kung that³³⁹

"You had a right to expect the friendly offices of the United States, and it gives me pleasure to state that they have been exerted, both here and in Japan, by the representatives of my Government, in the way of preventing our citizens from engaging in warlike operations against a nation with which we are at peace; in advising against any invasion of the sovereignty of China; and in lending support to proposals for a peaceful settlement on a basis alike honorable and just."

Thus, the other western powers also followed her course.

5. The Introduction of Railroad and Telegraph Systems

The American legation had labored to impress the Chinese authorities with the advantages of railroad and telegraph enterprises as a means of developing the resources of the Empire, swelling its gains through an extended commerce, and giving the government more power and facility in asserting its authority and enforcing order in districts remote from its secluded capital. But the Chinese authorities had met all arguments on this subject by assertions of the dangers to be feared from the introduction of novelties, losses to the people from throwing them out of employment, etc.³⁴⁰

a. The First Attempt to Build a Railroad

As early as 1863, when the struggles with the Taipings were in the extreme, some American and English merchants had intended to build a railway in China to demonstrate to the Chinese the utility of steam transportation; but Li Hung-chang, then Imperial Commissioner and Governor of Kiangsu, declined

³³⁹Mr. Avery to Prince Kung, Peking, Nov. 10, 1874, Foreign Relations, 1875, p. 223.

³⁴⁰Mr. Williams to Secretary Fish, Nov. 21, 1874, ibid., p. 221.

their petition for permission to build a line between Shanghai and Soochow, on the ground that railways could be a benefit to the Chinese only if they were exclusively in their hands.

After the completion of the Yokohama-Tokio line in Japan in the summer of 1872, Mr. Oliver B. Bradford, then American vice-consul at Shanghai, attempted to interest American capital to invest in the construction of an experimental railroad at Shanghai. This road, only twelve or fourteen miles long, was to connect Shanghai with the Woosung bar in the river entrance to the harbor, where at low tide there were often delays to vessels inward-bound. His plan met with the approval of Mr. George G. Seward, the consul-general at Shanghai, and of Mr. Low at Peking. But Bradford was merely a promoter, without adequate financial backing. Owing to his failure in his attempts to interest capital from the United States, he could but admit British interest into this enterprise. It was now merely a private enterprise, promoted mainly by British merchantile interests, which bought the land over which the track passed, and did the work without any concession from the Chinese authorities, although the Taotai knew very well what was going on.³⁴¹

The projectors of this short railway trusted that its operation would do more to enlighten the Chinese as to the value of railroads generally than any amount of argument could. The railroad was partially opened for traffic on June 30, 1876, and continued in operation for a few weeks until it was purchased by the Chinese authorities and torn up, and the entire equipment

³⁴¹House Misc. Doc. 31, 45 Cong., 2 sess., pt. II, p. 130ff. gives the details of the construction of this railway.

shipped to Formosa. Ostensibly their action was because of the killing of a native of Shanghai by the train. But the main reason of this enterprise was the belief of the Chinese authorities that the Chinese should control their own railway development.

b. The Erection of the Telegraphs

The subject of telegraphs had received attention in a more decided way. The Formosa trouble had made the Chinese officials at Peking realize the inconvenience of their isolated position and convinced them of the need for more rapid communication. The governor-general at Foochow had already allowed in 1874 the Great Northern Telegraph Company of Denmark to erect a line from the city to the Pagoda anchorage, and had contracted for a cable thence to Formosa.³⁴² The Foochow experiment was operated so satisfactorily that a proposition from the same company, to erect a line overland between Foochow and Amoy, was agreed. The Chinese reserved the right to buy the line at any time after its completion, at actual cost, with interest at a rate to be mutually agreed upon. The foregoing agreement was effected in good part through the aid of Mr. M.M. DeLano, American consul at Foochow, who had previously obtained permission for the erection of the telegraph from Foochow to the Pagoda anchorage. His case was nearly the same as that of Bradford. Through his help, the Danish Company secured the rights.³⁴³ The entrance of the latter marked the disappearance of American interests from the telegraph situation in the Empire.³⁴⁴

³⁴²Williams to Secretary Fish, No. 51, Aug. 3, 1874, ibid., p.125ff.

³⁴³Mr. Avery to Secretary Fish, Dec. 4, 1874, Foreign Relations, 1875, Vol. I, pp. 224-226.

³⁴⁴Mr. Avery to Secretary Fish, Jan. 27, Feb. 28, Mar. 18, May 19, 1875, ibid., pp. 260-262, 267-273, 275-277, 278-286.

c. The Failure of American Promoters in China

In both cases, the plans first promoted by the Americans, were immediately taken up by the nationals of other countries. This was because the American promoters, who had no adequate financial backing, failed in their attempts to interest American capital, which at this period was not even equal to financing these enterprises on the American continent. With the end of the Civil War of the United States, both American brain and capital had been absorbed into their country for reconstruction, and could find more beneficial returns at home. The American merchants in China

"who stand forth in the trade history of this period were adventurers and promoters lacking both the character and the business connections which would have been necessary to establish and carry through large undertakings. They were utterly unlike the earlier Americans who by just, generous and conciliatory business methods won the confidence of Chinese merchants in the old pre-treaty days."³⁴⁵

In the meantime, British and other European merchants and capitalists were eager for opportunities of seeking entrance into the Chinese Empire, while the Americans were not. The former were steadily sending their resources and personnel into the fields neglected by the American merchants. They gradually threatened to become a serious matter for the latter.

C. BENJAMIN B. AVERY'S TERM OF OFFICE

1. The First Separate Audience

On November 29, 1874, one month from the date of his arrival in Peking, Mr. Benjamin B. Avery, the American minister to China, had an audience with the Emperor and duly presented

³⁴⁵Dennett, p. 597.

the letter of the President of the United States to him. As this was to be the first occasion on which a minister from America had had audience alone with the Emperor, the event would be distinguished in the record of Chinese diplomatic intercourse with the United States.³⁴⁶

On November 11, after the Tsungli-yamen had been notified of Mr. Avery's arrival and that he was taking charge of the American legation at Peking, and after he had made the usual formal calls on Prince Kung and his associates, Mr. Avery addressed a note to the latter, requesting to name a day when it would be convenient to have him deliver the President's letter of credence.³⁴⁷ On November 21, Prince Kung wrote him that he had presented a memorial to the Emperor.³⁴⁸ Three days later Prince Kung addressed Mr. Avery again,³⁴⁹ giving in the text of his communication a copy of the imperial decree fixing Sunday, November 29, at the Tzukwangko, as the time and place for the audience of Mr. Avery. Remembering that Mr. de Butzow, the Russian minister, who arrived at Peking after the collective audience, had waited two months for his audience, Mr. Avery thought the prompt attention to his request and the early day at which it was to be realized must be regarded as "a decided advance toward western usages."³⁵⁰

At 7:30 a.m. on November 29, Mr. Avery was conducted, with Mr. S. Wells Williams as interpreter, by a side-way into

³⁴⁶Mr. Avery to Secretary Fish, Dec. 4, 1874, Foreign Relations, 1875, Vol. I, pp. 228-232.

³⁴⁷Ibid., p. 232, (Enclosure I in No. 11).

³⁴⁸Ibid., Enclosure 2.

³⁴⁹Ibid., Enclosure 3.

³⁵⁰Ibid., p. 229.

the pavilion. Approaching with three bows, he paid his respects to the emperor in his address,³⁵¹ which was translated into Chinese by Mr. Williams. Avery then deposited the President's letter of credence on the long, low, yellow table before him. The emperor slightly inclined his head in acknowledging the receipt of the President's letter and wished Mr. Avery good health. Mr. Avery retired, bowing twice, a reculous, and the ceremony ended. The custom of receiving foreign envoys by the emperor was now well established, and marked an era of decided advancement in diplomatic relations with the imperial court.

2. The Good Office of Mr. Avery in the Problems of the Coolie-Traffic

In return for his sincere thanks for the trouble the Tsungli-yamen had taken in the matter of the audience, Mr. Avery gave the latter his aid in solving the problems of the coolie-traffic between China and Cuba, then a Spanish colony. On his advice, the Chinese Government sent a commission to Cuba to enquire into the condition of the Chinese there. On February 5, the Tsungli-yamen sent to the American legation a lengthy communication, detailing the evidence on which the stoppage of emigration to Cuba was based.³⁵² On March 1, Prince Kung addressed to Mr. Avery a communication expressing his thanks for the friendly aid extended to the commission by the several consuls of the United States in Cuba, and asking him to inform Secretary Fish of the same, on behalf of the Yamen.³⁵³

³⁵¹Ibid., p. 233, Enclosure 9.

³⁵²Ibid., p. 304, Enclosure 3.

³⁵³Ibid., pp. 340-341.

The attention of the Chinese Government had lately been called by the discussion of Cuban coolie trade to the necessity of adopting careful port-regulations with reference to emigration. Being questioned by the Tsungli-yamen as to the character of American laws on the subject, Mr. Avery made some general statements verbally, embodying information which subsequently, at the request of the ministers of Yamen, he wrote out more in detail, accompanying it with translations of portions of American statutes controlling the transportation of passengers, and prohibiting the coolie traffic.³⁵⁴ The Department of State approved the friendly spirit manifested by the American minister in furnishing the information sought, and was convinced of the desirability of impressing on the Chinese Government on all proper occasions the care taken by the American Government to prevent wrong-doing and injury to Chinese as in the coolie traffic, and "the desire to freely receive and liberally treat honest Chinese emigrants."³⁵⁵

D. GEORGE F. SEWARD AND THE CHEFOO CONVENTION

When Mr. Avery died at Peking in November, 1875, he was succeeded by George F. Seward, who since 1861 had been consul and later consul-general at Shanghai. He served as minister at Peking from 1876 to 1880, a period of peaceful intercourse. However, a number of perplexing questions were raised by the

³⁵⁴Ibid., pp. 298-304, Enclosures 1 & 2 in No. 45.

³⁵⁵Acting Secretary, Mr. Cadwalader, to Mr. Avery, August 14, 1875, Ibid., p. 399.

signature in 1876 of the Chefoo Convention between Great Britain and China.³⁵⁶ This agreement proposed to alter materially the existing treaty settlement. It provided among other things for trial by an official of the defendant's nationality in mixed civil cases. Likin taxes³⁵⁷ on opium were to be paid with the import duty, after which the drug might be imported into the interior without further impost. As a result of these various issues raised by the British minister, Mr. Wade, whose colleagues felt that he was readjusting British relations with China with no consideration for the interests of other nations, the Chinese authorities of the Tsungli-Yamen requested the views of Mr. Seward and the ministers of the other treaty powers. This in turn led to a number of ministerial conferences in which Mr. Seward took part, and led to a joint memorandum on views held by him and other ministers.³⁵⁸

1. The Audience Question

This in turn led to detailed comments by Mr. Seward directed specifically to American policy. In his letter to Secretary Fish,³⁵⁹ Mr. Seward said he could not see that an audience with the Emperor would be of practical value to the interests confided to him. There was involved, of course, a

³⁵⁶For details of the signature of the Chefoo Convention between Great Britain and China, please see Morse, International Relations, II, Chap. XIV, "The Chefoo Convention, 1876", pp.283-305.

³⁵⁷A provincial inland transit tax, originally one tenth of one percent of the value of the cargoes, first collected during the course of the Taiping rebellion. Ibid., II, 148.

³⁵⁸Mr. George F. Seward to Secretary Fish, Dec. 5, 1876, China Despatches, Vol. XLIII, Enclosure 2 in No. 177.

³⁵⁹Ibid.

question of dignity, and of right procedure, and if the regents were men, he might and probably should have felt it necessary to advise that the right of audience should be insisted upon. But as the regents were women (Empress Dowager Tzu An and Tzu Hsi), and as they, with the emperor, granted audience to Asiatic envoys and their own high officials under forms of ceremony which Mr. Seward could not assent to, and which they could depart from without difficulty, Mr. Seward had considered that it was not necessary to advise that a positive attitude be taken in regard to the matter. He thought that the present regency could not last long. It was possible, though not probable, that at any moment the almost unprecedented control now exercised by women might be put to an end, and the regency fall into male hands. In such a case, he should probably advise his Government to demand the audience at once.

2. Judicial Matters

In dealing with the matter of intercourse between American diplomatic personnel and the high officials of the Chinese Government at the capital and in the provinces, Mr. Seward had thought it necessary to say only that, so far as forms go, his relations with the members of the Tsungli-Yamen were essentially satisfactory. He did not think it desirable or wise to undertake to extend relations with Ministers of the Government by trying to establish a Code of Etiquette, as the British Minister proposed.

He stated that the stipulations of the Chefoo Agreement in regard to judicial matters were valuable. All trials of civil matters in the past, in which Americans and Chinese had

been concerned, had been heard and determined in the Court of the defendant. This practice was defensible under their treaty, and practically gave good results. In criminal matters, no question of the complete extraterritoriality of foreigners had been raised since the treaties were made. So no different system could be admitted.

3. Commercial Matters.

Section III of the Chefoo Agreement related to commercial matters, and more particularly to the matter of Likin taxation. Mr. Seward had held consistently that all Likin taxation was in contravention of the treaties, but he had feared that, whether from apathy, or from a careless reading of the treaties, this important fact would be lost sight of, or disputed, and that a main advantage guaranteed in existing Conventions with China would be allowed to fall. In view of the whole matter, Mr. Seward suggested to his Government that, if the British Government should apply to the United States to know whether America agreed to the general Likin taxation clauses of the Chefoo Agreement, the answer should be returned, in appropriate language, that America holds that all such taxation of foreign merchandise in China was in contravention of the treaties, and that similarly, the taxation of Chinese produce, held by Americans for exportation, and covered by transit passes was illegal; that opium was, of course, on a different footing, and that the United States approved the new arrangement, on the understanding that it should not be held to limit the right of the Chinese Government to deal with the drug, when it had reached the Chinese consumers' hands in such manner as they might think necessary. His proposal was adopted later by his government.

E. THE QUESTIONS OF LIKIN TAXES

In 1876, the German minister, Mr. von Brandt, brought up before the Tsungli-yamen the question of the right of China to levy likin with the foreign settlement of Shanghai (the only settlement at the time with defined limits) on foreign foods, having paid regular duty prior to its being entered for transit. This was a right claimed by the Chinese Government on the ground that local authorities at each of the treaty ports were allowed to levy duties, and that foreign concessions at the several open ports were still Chinese territory. As a result, the Chinese Government agreed that from and after February 13, 1877, no likin taxes should be levied upon bona fide foreign goods imported by foreign merchants within the limits of the foreign settlements at Shanghai, whether sold to Chinese or foreigners.³⁶⁰ By this agreement it appeared that China did not intend to relinquish her right to levy likin on opium within the limits of any of the settlements at treaty ports.

On September 23, 1879, Minister Seward of the United States, with the envoys of other countries, held a meeting at Peking and decided to discuss, in common with the Chinese Government, the questions of likin taxes, the transit pass system, the judicial system, and official intercourse. On November 22, 1879, they presented to the Tsungli-yamen a list of grievances to which foreign trade was subjected.³⁶¹ On March 20, 1880, Minister Seward wrote Secretary Evarts that no progress had been

³⁶⁰ Prince Kung to Minister Seward, Dec. 12, 1876, in Charles Denby's letter to Secretary Bayard, Dec. 18, 1885, Foreign Relations, 1886, No. 57, p. 68.

³⁶¹ Mr. Seward to Secretary Evarts, No. 482, Sept. 24, 1879, ibid., p. 69.

made in the negotiations. The envoys appeared disposed to believe that the present moment was inopportune to press matters, "because of the assumed strength of the reactionary party". Mr. Seward thought it better to proceed with the discussion, and to draw away from it at a later moment if it should seem necessary for reasons to be advanced by the envoys.³⁶²

The Tsungli-yamen expressed on April 9, 1880, their willingness to meet the foreign envoys for the discussion of the questions. After several conferences with the Tsungli-yamen, the British minister, Sir Thomas Wade, who had been chosen chairman of the committee on likin, reached the conclusion that China would be willing to assent to the imposition of a fixed tariff (higher than the existing tariff) on the payment of which the goods imported would be exempted from all further taxes of every kind, no matter into what part of the Empire they might be carried. On December 13, 1880, the Tsungli-yamen wrote to Sir Thomas Wade and proposed that the duty on foreign imports be fixed at 11.5 taels (11½ percent). On January 4, 1881, the envoys rejected this proposition as unsatisfactory.³⁶³

Sir Thomas Wade wrote on July 7, 1881, to the Yamen that the envoys could not accept the 10 percent import duty in lieu of likin, to which the Yamen had finally agreed, unless certain other provisions asked for in the collective note of November 22, 1879, were conceded. They were of opinion that if certain safeguards could be secured it would have been worth while to have tried as an experiment, say for five years, the

³⁶²Minister Seward to Secretary Evarts, Nos. 632, 665, Mar. 20, Apr. 23, 1880, ibid., p. 70.

³⁶³Minister Angell to Secretary Evarts, No. 58, Nov. 30, 1880, ibid., p. 71.

scheme proposed. But he deemed it necessary to have some sort of court of reclamation in which redress could have been claimed if likin had really been assessed. Mr. Angell, the American minister in China, wrote to Secretary Blaine³⁶⁴

"... it must be confessed that it is very doubtful whether for some time to come the (Chinese) Government can prevent the levying of likin. The people hate the tax and would gladly be rid of it. But it is extremely convenient for the local authorities, and the whole weight of the influence of the provincial officials will be thrown in favor of the continuance of it."

On August 1, 1881, the Yamen answered Sir Thomas Wade's note of July 7, and stated that while they had agreed to the 10 percent duty, still, in view of the foreign representatives insisting on certain other provisions for the protection of trade in the collective note of November 22, 1879, and the provisional experiment of the 10 percent duty scheme would be premature. After this, little or no progress was made in the negotiations.

American minister Young, writing to Secretary Frelinghuysen on June 18, 1884,³⁶⁵ remarked:

"The whole (transit pass) system sadly needs revision and re-adjustment, but it is too much to expect that the Government of China will take official measures to put an end to the violation of the treaties by the local officers in this direction until it has a practical assurance that foreign powers will no longer permit abuses of the privilege by their people."

Again, Mr. Young, writing to Secretary Frelinghuysen on August 6, 1884, stated³⁶⁶ that

"The general question of likin concerns all interests in China, and must be a matter of joint action. I doubt if there will be any settlement until we have a new treaty, and one which will be unmistakable as to all questions of manufacture and trade."

³⁶⁴Minister Angell to Secretary Blaine, Sept. 24, 1881, (No. 217), ibid., p. 72.

³⁶⁵Mr. Young to Secretary Frelinghuysen, June 18, 1884, (No. 462), ibid., 1884, pp. 97-98.

³⁶⁶Mr. Young to Secretary Frelinghuysen, Aug. 6, 1884, (No. 492), ibid., 1886, p. 73.

On September 30, Secretary Frelinghuysen, acknowledging Minister Young's despatch,³⁶⁷ wrote:

"In view of the long-standing controversy as to likin...it certainly appears desirable that some conclusion shall be reached which will remove the merits of the question from the domain of doubt. In case you find the way favorably open for the discussion of a special treaty engagement which shall concede what we have always claimed in the premises, you should use your good endeavors to promote such a result."

On April 27, 1885, the envoys at Peking had a conference at which the transit pass system outwards was discussed, as well as the practice of levying taxes on foreign goods at the ports of entry for municipal and other purposes. This meeting had produced no result. They found that under existing treaties nothing materially advantageous to foreign trade could be arrived at.

American minister Charles Denby, in his report to Secretary Bayard,³⁶⁸ remarked:

"The natural solution of the difficulty is in the adoption by China of Western financial and commercial methods, which will give that elasticity to her revenue system which it most utterly lacks at the present moment."

After this conference nothing of any importance had occurred in the way of a settlement of the pending difficulties. It had not been settled until 1929, after the tariff autonomy was granted to China.

³⁶⁷Secretary Frelinghuysen to Mr. Young, Sept. 30, 1884, (No. 344), ibid.

³⁶⁸Charles Denby to Secretary Bayard, Dec. 18, 1885, ibid.

F. THE TREATIES OF 1880

1. The General American Commercial Policy

Twelve years after the signing of the Seward-Burlingame treaty of 1868, the Government of the United States sent to China a commission to substitute for Seward's cheap-labor treaty one which was to give the Washington Government the right to regulate, limit or suspend, but not to prohibit the immigration of Chinese laborers.³⁶⁹ The instructions of Secretary Evarts to the Commissioners, James B. Angell, William H. Trescot, and John F. Swift, were suggestive of the general commercial policy of the time and of the spirit in which revision of the immigration policy was sought.³⁷⁰ They were instructed to make American "privileges more clear, more secure, or more extensive." In regard to the main commercial topic now under consideration, they should give their

"best attention to bring about such concurrence upon a basis of fair consideration of the exigencies and interests of China, as well as of the Treaty Powers. You will, however, bear in mind that this country is the only one of the so-called Western Powers that is a commercial Power of the Pacific Ocean, and that can by its geographical position, promise itself a constant enlargement of reciprocal trade with China for the consumption by each nation of the exportations of the other."³⁷¹

On the subject of taxes imposed on American goods, he stated that it could be premature to consider whether it would

³⁶⁹For the details of the Chinese immigration problem in the United States, please see Mary R. Coolidge, Chinese Immigration (New York, 1909); Elmer Sandmeyer, Anti-Chinese Movement in California (Urbana, 1939); R.D. McKenzie, Oriental Exclusion (New York, 1927); Rose Hum Lee, The Chinese in the United States (Hongkong, 1960).

³⁷⁰Secretary Evarts to the Commissioners to China, June 7, 1880, China Instructions, Vol. III.

³⁷¹Ibid.

be possible to restore to the Chinese Imperial Government the control of the rates of imports upon imported goods, as an inducement and aid toward a just system of internal taxation, that should not by its new burdens frustrate the privilege of importation in its true sense, as purchased by the imports paid upon the entry of foreign merchandise. If this were done by any or all of the treaty powers, it would need to be attended by provisions covering these principal points. First, the Imperial Government would need to recognize the policy of general trade not to be suppressed by prohibitory duties, but to be encouraged and enlarged and burdened only for revenue. Second, no discrimination favorable to one foreign nation, directly or covertly, should be allowed in the adjustment of duties. Third, the principle that foreign goods, as such, should bear no other taxation of transit or otherwise, should be recognized and duly protected by treaty obligations capable of enforcement. While not attempting to take so serious a step towards liberating the revenue system of China from being hampered as it now was by a treaty tariff, they must gain such information, and form such opinions as to the prospect of such a proposition being made compatible with a just regard to the interests of American commerce, as might be gathered from their intercourse with their colleagues and the Chinese Imperial Government.

Negotiations opened in October. Two treaties were signed by the Chinese and American representatives at Peking on November 17, 1880. One was the Immigration Treaty in which the Chinese Government agreed that

"the Government of the United States may regulate, limit or suspend such coming or residence, but may not absolutely prohibit it. The limitation or suspension shall be reasonable and shall apply only to Chinese who may go to the United States as laborers, other classes not being included in the limitations."³⁷²

2. The Treaty of Commercial Intercourse

In the treaty on Commercial Intercourse and Judicial Procedure,³⁷³ the Government of the United States and China, recognizing the benefits of their past commercial relations, and in order still further to promote such relations between citizens and subjects of the two Powers, mutually agreed to give the most careful and favorable attention to the representations of either as to such special extensions of commercial intercourse as either might desire. Both governments mutually agreed and understood that Chinese citizens should not be permitted to import opium into any of the ports of the United States; and American subjects should not be permitted to import the drug into any of the open ports of China, to transport it from one open port to any other open port, or to buy and sell the drug in any of the open ports of China. This absolute prohibition which extended to vessels owned by the citizens or subjects of either Power, and employed by other persons for the transportation of opium, should be enforced by appropriate legislation on the part of China and the United States; and the benefits of the favored nation clause in existing treaties should not be claimed by the citizens or subjects of either Power as against the provisions of this article.

³⁷²U.S. Compilation of Treaties in Force, p. 119.

³⁷³Ibid., pp. 120-122.

The Chinese Government promised that no kind or higher rate of tonnage dues, or duties for imports or exports, or coastwise trade should be imposed or levied in the open ports of China upon vessels wholly belonging to citizens of the United States, or upon the produce manufactures or merchandise imported in the same from the United States, or from any foreign country; or upon the produce manufactures or merchandise exported in the same to the United States or to any foreign country, or transported in the same from one open port of China to another, than were imposed or levied on vessels or cargoes of any other nation or on those of Chinese subjects. Vice versa, the United States agreed to obey the same regulations.

Both Governments agreed that when controversies arose in the empire between Chinese and American citizens, which needed to be examined and decided by the public officers of the two nations, such cases should be tried by the proper official of the nationality of the defendant.

Although the commercial treaty of 1880 had been signed for several years, Congress did not pass the necessary legislation to bring out the anti-opium pledge in the treaty, and some Americans and their ships continued to engage the smuggling of the drug.³⁷⁴ For appeasing the anger of the Chinese Government on the problem of immigration, Congress passed, on February 23, 1887, an act approving the authority to enforce the anti-opium pledge, which might well have been considered as the price paid for the attainment of its major objective, the effective exclusion of Chinese immigrants.³⁷⁵

³⁷⁴Foreign Relations, 1886, p. 168.

³⁷⁵Morse, II, p. 377.

G. AMERICAN POSITION IN CHINESE FOREIGN RELATIONS, 1880-1894

Surrounding the Chinese Empire for centuries were several vassal states, administering their own affairs without Chinese interference, but recognizing the overlordship of the Chinese Emperor by the periodic sending of tribute to the Chinese imperial court, and by acceptance of investiture on the accession of each new ruler. They were Annam, Laos, Burma, Nepal, Sulu, Siam, Liuchiu, Korea, etc. During the latter part of the nineteenth century, these dependencies and vassalages were gradually absorbed by France, Great Britain and Japan regardless of the tenuous claims of China to suzerainty. The developments in China during these years had created a dangerous situation that very nearly led to the dismemberment of the Empire. Meanwhile, the United States was making every endeavour to promote her own national expansion to the shores of Eastern Asia, and to establish herself as a Pacific power. When the Chinese Empire was carved up into spheres of foreign influence, she played the rôle of a neutral bystander or a mediator.

1. American Mediation in the Franco-Chinese War, 1883-1884

Annam had been conquered by the Chinese at various times since the period of the Han Dynasty, and the suzerainty of the Chinese emperors over Annam had been asserted. After the French Revolution, France had made many attempts to extend her influence in Indo-China. A treaty was signed on March 15, 1874, by France and Annam under the former's pressure. By it, France recognized the entire independence of Annam vis-a-vis

any foreign country, and promised to protect Annam against foreign aggression and internal disorder.

The Chinese Government was informed of the change by the French envoy at Peking. Prince Kung refused to recognize the treaty and declared Annam had since ancient times been a vassal of the Chinese Empire. By the treaty, the ruler of Annam had recognized French suzerainty, but he still sent envoys in 1876 and 1880 with the customary tributary to Peking. The suzerain right over Annam was then contested by both France and China. An agreement could be brought out because of the preparation for war by both nations. In July, 1883, China requested the mediation of the United States, but this was rejected by France.³⁷⁶

In August, 1883, a treaty was signed between Annam and France declaring that Annam recognized and accepted the protectorate of France, and that France should control the foreign relations of Annam with other powers, including China. Annam was then under the full influence of France. Meanwhile, the French declared a blockade of the ports of Annam and Tongking. In December, 1883, and March, 1884, the French troops met Chinese troops in Tongking. A conflict arose.

Through personal arrangement, Li Hung-chang and French Commandant Fournier signed a convention of May 11th, 1884. France agreed to respect and protect the existing border of China. The latter promised to withdraw the Chinese troops in Tongking and to respect the treaties made or to be made,

³⁷⁶Tyler Dennett, "Americans Good Office in Asia", Journal of International Law, 16:5 (January 1922); Secretary Frelinghuysen to Minister Young, July 13, 1883, China Instructions, Vol. III.

between France and the Court of Hue. June 6 was the date settled to withdraw the Chinese garrisons on the Kwangsi border, and June 26 for those on the Yunnan frontier. On June 23 a French force encountered at Bacle a body of Chinese troops who had no instructions to evacuate. The French force at once pushed their attack but were defeated. The French Government took a serious view of this incident. On June 12, the French envoy presented an ultimatum demanding the immediate execution of the Li-Fournier Convention. The second attempt to obtain mediation through the good offices of the American Government was made by the Chinese, but was declined by France again.³⁷⁷

The French made no declaration of war, but their navy, first, bombarded Tamsui forts on Formosa on October 23. without success, then declared a blockade of Formosa from October 23rd. The French next gave notice that from February 26, 1885, rice, destined for ports north of Canton, would be considered as contraband of war, in order to bring pressure to bear on the Chinese court to lead it into the paths of peace. But most of this rice was carried in steamers under the American flag, and the proposal aroused a storm of protests.

The American Government preferred to await specific cases before deciding what articles were and what were not contraband. On March 30, 1885, Mr. Young, American minister to China, wrote Secretary Bayard that

"as China and France are at peace with the United States, as we are officially informed that a state of war between the two nations, and as it is our duty to maintain an exact neutrality,...refusing to enter or clear any vessels under

³⁷⁷Dennett, p. 5; Morse, International Relations, pp. 353-357.

"the American flag supplying either belligerent with contraband of war."³⁷⁸

Secretary Bayard agreed with him and said that

"in view of our friendly relations with both China and France (American) should be careful to avoid doing anything, even in an informal manner, that might be regarded as a violation of the strictest neutrality."³⁷⁹

2. American Position in the Conflict between China and Japan, 1879-1894

For centuries, Korea (Corea or Chosen) had been vassal to China, and both courts fully recognized their reciprocal obligations. In the later eighteenth and the early nineteenth centuries, the United States and the European powers tried to establish relations with the Koreans, but their efforts resulted in no success. During the period from 1868 to 1870, several missions sent by the Japanese Government were met with insulting refusals on the part of the Koreans to enter relations. In December, 1875, some Japanese sailors were fired by the Koreans. Seizing the opportunity, and ascertaining that China would stand aloof as she had been, Japan imposed on Korea a treaty, signed on February 26, 1876. By this treaty Japan recognized it was an independent state enjoying its full sovereignty. After the signing of the treaty, the Korean policy of vassalage to China and isolation from the world remained unchanged. The Japanese were, however, obviously working in Korea to weaken the relations of vassal to suzerain. In order to combat Japanese intrigue, Li Hung-chang in 1879 encouraged the Koreans to conclude treaties with the Western powers.

³⁷⁸American minister Young to Secretary Bayard, Mar. 30, 1885, Foreign Relations, 1885, (No. 133), pp. 168-169.

³⁷⁹Ibid., p. 170.

a. The Problem of the Liu-chius Islands

Meanwhile, China and Japan were also disputing over the Liu-chius Islands, in addition to the Korean problem. At this time American ex-president Ulysses S. Grant visited East Asia as a private citizen. He was asked to give his opinion regarding the means of a settlement of the dispute. He suggested a partition of the islands. He was of the opinion that a war between China and Japan would bring about a condition in which European Powers might participate. On August 18, 1879, Grant wrote to Prince Kung a letter which had been shown to the Japanese Emperor and received his approval. He wrote:

"In the vast East embracing more than two thirds of the human population of the world there are but two nations even partially free from the domination and dictation of some one or other of the European Powers, with strength enough to maintain their independence - Japan and China are the two nations...With a little more advancement...they could throw off the offensive treaties which now cripple and humiliate them, and could enter into competition for the world's commerce...."³⁸⁰

It was probable that Grant advocated an alliance between China and Japan to protect them from aggression of the European powers. The American Government instructed its envoys to make clear that Grant did not officially represent his government, that his opinion was only his personal views.³⁸¹ But his official recommendations had later been taken up into the official American policy toward the Far East.

b. The Good Office of Li Hung-chang and the Shufeldt Treaty

The next American effort to establish relations with Korea was made by Commodore R.W. Shufeldt in 1880. Commodore

³⁸⁰Minister Young to Secretary Frelinghuysen, Oct. 18, 1882, China Instructions, Vol. LX.

³⁸¹Foreign Relations, 1881, p. 243.

Shufeldt first attempted to open negotiations with Korea through Japanese channels. But he failed. His purpose was, however, made known to Li Hung-chang. Shufeldt's presence could only be interpreted as meaning that Japan's campaign in Korea was met with the approval of the Government of the United States. Li, who was afraid that the cooperation of the two nations in reference to Korea would add more difficulties for him to deal with Japan in the controversy over Korea, lost no time in inviting Shufeldt to come to Tientsin. After his arrival, Li promised to use his influence to secure a treaty from Korea. Li's plan was to prevent the United States from throwing its influence on the side of Japan, and to weaken the effects of the treaty of 1876 signed by Japan and Korea.

Negotiations at Tientsin were actually begun in the spring of 1882. Li insisted in having inserted a phrase in the treaty which could declare "Chosen being a dependent state of the Chinese Empire". Shufeldt explained to Li that for the American Government to sign a treaty including such a statement would be equivalent to placing Korea under protection of both China and the United States, and would be tantamount to forming an alliance with the empire, and he had no authority to do so. This might be exactly what Li desired because he refused to give up its inclusion. On April 19, Shufeldt telegraphed to Secretary Frelinghuysen for instructions on this subject. No reply to the matter was received. A compromise between the two negotiators was finally achieved; by which Shufeldt would acknowledge in an official letter to Li that the treaty had been negotiated through the good offices of China because Korea was

only a dependency of the Chinese Empire, and also he would transmit a letter written by the ruler of Korea to the American president declaring that the treaty had been concluded with the consent of the Chinese court for the same reason. Thus, the treaty negotiated in China by Li was signed in Korea on May 22, 1882, without discussion with the Korean envoys.

Commodore Shufeldt, who negotiated the American treaty with Korea in 1882, owed the success of his mission in part to the assistance received from Li Hung-chang. Li had, however, failed to accomplish his own purpose, because the ruler of Korea (Chosen) in his letter to the President of the United States stated as follows:

"Chosen has been from ancient times a State tributary to China. Yet hitherto full sovereignty has been exercised by the kings of Chosen in all matters of internal administration and foreign relations. Chosen and the United States in establishing by mutual consent a treaty are dealing with each other upon a basis of equality. The King of Korea distinctly pledges his own sovereign powers for the complete enforcement in good faith of all the stipulations of the treaty in accordance with international law.

"As regards the various duties which devolve upon Chosen, as a tributary state to China, with these the United States has no concern whatever."³⁸²

The suzerain-vassal relations existing for centuries between the Chinese Empire and Korea was first weakened by the Japanese-Korea Treaty of 1876, and then was separated by the American treaty due to the refusal of Shufeldt to agree to incorporation of the dependent-state clause in the document. Japan's ambition of territorial expansion on the mainland was thereafter strengthened immeasurably by the signing of the Shufeldt treaty.

³⁸²Quoted by Dennett, Americans in Eastern Asia, p. 460.

c. Commodore Shufeldt's Personal Views of China

When Li Hung-chang offered his good offices to Commodore Shufeldt in negotiating the American-Korean treaty, he had frequently consulted Shufeldt on naval affairs, and might have contemplated appointing the latter to a responsible post in the Chinese navy. In 1881, Shufeldt returned to Tientsin after transmitting the letter of the Korean king to the American president. What he was longing for at this time was the possibility of service in the Chinese navy. But, meanwhile, Li Hung-chang was bitterly regretting his mistake in permitting the Shufeldt treaty which, without the dependent-state clause, damaged his reputation as a statesman. Insomuch as the Commodore was treated with indifference, this broke his ambition. The assistance of Li to secure the Korean treaty for him, however, did not prevent him from entertaining views of China which Secretary Frelinghuysen characterized as brutal. Shufeldt wrote:³⁸³

"...the political center of the Chinese Government...has convinced me that deceit and untruthfulness pervade all intercourse with foreigners; that an ineradicable hatred exists, and that any appeal across this barrier, either of sympathy or gratitude, is entirely idle. The only appeal or argument appreciated is force...All sympathy will be construed into weakness, all pity into fear."

He suggested that the United States should change her policy toward China.

"Any high moral ground in the field of diplomacy - any appeal to the motives which ordinarily govern nations - indeed, any argument unaccompanied by the outward and visible sign of force, is used only for the purpose of delay, which in the end is equivalent to victory. Yet the United States has interests in China destined in the future to be greater than those of any other nations - possessing as we do the Pacific

³⁸³ Commodore Shufeldt to Senate Sargent, January 1, 1882, China Despatches, Vol. LX, Enclosure in Holcombe's No. 108.

Ocean as a common highway - geographically with reference to the continent, politically with reference to each other ...Our policy therefore should be positive and governed, to the extent of the moral law, by American interests alone, and followed up by the argument which they understand - the argument of force, pressure, not persuasion."

At the insult from Li, Shudfeldt showed anger in the following sentences:

"I am of the earnest conviction that the policy of the United States in China, and towards the Chinese in America, should be with us as with them - purely selfish - coming as it ought to, under the universal law of right and justice, but by no means governed by the fallacious idea of international friendship, or even the broader ground of a common brotherhood."

They are contained in a letter which he wrote at Tientsin in January, 1882, to his friend Senator Arson A. Sargent of California. Through some means this letter found its way to the press, a fact which proved most embarrassing to the American administration. It was published at the time when the discussions of the Chinese exclusive questions were pending in California and Congress. Shufeldt's personal view, of course, exerted an important influence in the shaping of later American policy in China.

d. The American Attitude in the Sino-Japanese War

To discuss the complicated details of domestic and international struggles in, and respecting, China between 1882 and 1894, is out of the field of this study. What I am concerned with is the American attitude toward China during the period of the Chinese-Japanese controversy over Korea and her position in the Sino-Japanese War.

During the years from 1882 to 1894, China and Japan were left face to face at the court of Korea. China was confident that she could maintain her ancient suzerainty,

substituting for its passive exercise a more active interference in Korean affairs; Japan believed, however, that she could expel the Chinese influence from the peninsula and establish herself there as the predominant power. Korea now became the Balkan in the Far East. Russia was anxious to secure an ice-free port. Had Korea fallen into a power hostile to her the peninsula would become a barrier to warm sea, and that situation would constitute a threat to her penetration of Manchuria. In July 1884, a convention was signed between Japan and Russia, by which the latter agreed to send Russian officers to Korea to train her army. France was now becoming the creditor of Russia. Her interests in Indo-China as well as her interests in Russia brought her into line against the Chinese Empire. Great Britain had to face a disturbance of the Asiatic equilibrium in favor of Russia, her principal rival. Thus, the British supported the Chinese, not only against Russia and France, but also Japan.

Contrasted with those European powers, traditional policy of the United States indicated support of the Far East. After the retirement of Secretary Seward, the United States had swung from Burlingame's cooperative policy to the opposite extreme of absolute isolation. The Americans, however, desired peace in East Asia, because peaceful relations among the nations in Asia was not only essential to build up a strong East to meet the aggressive West, but also important for American commercial interests. The American Government lost no time in instructing its representatives in China and Japan to do their best to persuade the two countries to dissolve their controversies by peaceful means and negotiations.

When, in 1894, the conflict of China and Japan with reference to Korea led to war, foreign ministers in the three countries urged the United States to take the initiative in uniting the great powers in a protest at Tokio against the beginning of hostilities in Korea by Japan. The American Government limited itself to a tender office according to the treaties. It was, however, rejected by Japan. In the following few years, there was little interest in the United States in the Far East because the attention of the American people was attracted into the Asiatic immigration questions.

After the invasion of Manchuria by the Japanese, the alarm felt in the Chinese imperial court was greater than ever. On November 3, Prince Kung formally appealed to the United States, by virtue of the Treaty of Tientsin in 1858, to solicit her good offices in intervening between China and Japan. The next day he summoned a conference of the American, British, German, French, and Russian diplomatic representatives to ask the joint intervention of their governments. Japan declined all proposals for intervention. American Secretary of State Gresham's reply to appeal of China was that

"The deplorable war between Japan and China endangers no policy of the United States in Asia. Our attitude towards the belligerents is that of an impartial and friendly neutral desiring the welfare of both."³⁸⁴

He refused to join the European powers in intervention, because he clearly understood the international situation in the Far East. He was afraid that the joint intervention would lead in the direction of dismemberment of the Chinese Empire, of Korea, and

³⁸⁴Mr. Gresham to Mr. Dun, Nov. 6, 1864, Foreign Relations, 1894, Appendix 1, p. 76.

even of Japan. The war happened at an unfortunate moment for China, when the relations between Peking and Washington Governments had been strained over the immigration issue in California and the anti-missionary movement in China. Otherwise, the United States might have used its influence to check the aggression of Japan; it was possible at least that American neutrality might have been more friendly to the Chinese Empire. In the course of the Sino-Japanese War of 1894, the policy which the American Government continued to pursue was perfect neutrality.

In November, China's position was becoming desperate. On the 17th, Japan informed the American legation at Tokio that she would be willing to make peace with China, if the latter desired to approach Japan on the subject through the American legation at Peking. Five days later, Charles Denby, American minister at Peking telegraphed Edwin Dun, American minister at Tokio, that he was authorized by the Chinese Government to entertain direct overtures to Japan for peace. But he was not equipped with full powers. Negotiation was delayed by the Japanese continuation of their military progress. It was not until March 20, 1895, that Li Hung-chang, appointed ambassador extraordinary with full powers, reached Japan to negotiate peace.

After the conclusion of the treaty of Shimoneseki and the joint interference of Russia, France and Germany, the full independence and autonomy of Korea was recognized by China. The latter was also to cede to Japan the Pescadores group and Formosa. Shasi, Chungking, Soochow and Hanchow were to be open as treaty ports and the river leading to them to be navigated

by the Japanese ships. On July 21, 1896, a subsidiary treaty of commerce was signed at Peking. All privileges, including the most-favored-nation clause, enjoyed by any of the Western powers were granted to Japan. The treaty was, however, on one point in advance of other foreign treaties with China, in conceding specifically the right to carry on trade, industries, and manufactures at all of the open treaty ports. Such a right, previously rejected by the Chinese, thus granted, accrued at once to the merchants of the United States and all nations.

The vassal states of China, which had naturally formed a neutral buffer belt between the empire and the outer world for centuries, had fallen into the hands of other powers in the last two decades of the nineteenth century. China proper was now exposed to great danger of foreign aggression.

CHAPTER VI

THE COURSE OF TRADE (1861-1894)

A. A PERIOD OF SLOW COMMERCIAL INTERCOURSE

1. China's Share in the Total American Foreign Trade and Vice Versa

During the last four decades of the nineteenth century, the development of Chinese-American trade was very slow. From the beginning of the trade between the two countries up to 1861, the importance and magnitude of the trade had been on the increase, absolutely as well as relatively, and there were many reasons - such as the shortening of distances between the eastern and western coast of the Pacific by the speedy clipper ships, and the development of industry in the United States - to expect a continual rapid growth in the commercial intercourse. But, in fact, no remarkable increase of trade was shown between the two countries from 1861 to 1894. Within the same decades, however, American trade with Japan leaped forward, from \$193,365 in 1860 (exports from United States \$55,091; imports to United States \$138,274) to \$28,330,674 in 1894 (exports from United States \$4,634,717; imports to United States \$23,695,957) while American trade with the Chinese Empire increased from \$22,472,705 (exports from United States \$8,906,118; imports to United States \$13,566,587) to only \$22,997,000 in 1894 (exports from the United States \$5,862,000; imports to the United States \$17,135,000).³⁸⁵

In the total American foreign trade, China had a share of 3.15% in 1860. Her relative share decreased to only 1.86% in

³⁸⁵Commerce and Navigation, 1860, pp. 51, 153, 288, 532; Monthly Summary of Commerce and Finance, Sept., 1904, p. 1211.

1880, and to 1.75% in 1894. During the 1860's, China ranked seventh among the foreign countries who supplied the United States with their products, and was the sixth best purchaser of American goods. But later, in 1885, she was lowered to the eighteenth place as supplier and to the fourteenth as a purchaser. Meanwhile, the relative importance of the American share in the total Chinese foreign trade was also clearly declining. For example, the American share in the total Chinese foreign trade was 8.46% in 1872, 6.33% in 1877; 6.5% in 1881, 6.5% in 1887; 5.2% in 1889, 6.4% in 1893; while Japan's share in the total Chinese foreign trade was 3.01%, 3.76%, 3.4%, 4.1%, 6.2% and 6.4% respectively in these same years.

2. The Statistics of Sino-American Trade, 1861-1894

The following table shows the whole statistics of Chinese-American trade for the period 1861 to 1894. The first part of these figures before 1874, however, does not represent the total volume of American trade with China due to the use of Hongkong as a port of transshipment between the Chinese Empire and the United States as well as between other countries and China. Down to 1874, the statistics for the China trade in American official reports included all those for Hongkong. So it can be presumed that a very large portion, if not all, of the American imports from Hongkong must have originated in China, and an equal portion of exports thereto must have gone ultimately to the Chinese mainland. It is therefore not unreasonable to treat all the American trade with Hongkong as a part of Chinese-American trade in those early years.

Since 1875, American-Hongkong trade had been reported

separately. As a result, the second part of those figures certainly gives a more clear view of the American trade with China. The trade between the two countries showed no material increase but fluctuated between twenty million and thirty million dollars in value. There would be no question, therefore, that American-Chinese trade was declining in importance to both countries.

(See Table 6 on p. 202 and p. 203).

TABLE 6

Trade of the United States with China, Hongkong and Japan
1861 - 1894 (a)

Unit: \$1,000

Year ending June 30	Value of imports from China (b)	Value of exports to China (b)	Total (b)	Value of imports from Hongkong (c)	Value of exports to Hongkong (c)	Total (c)
1861	11,352	6,917	18,269			
1862	7,459	5,499	12,958			
1863	10,691	6,142	17,103			
1864	10,105	8,733	18,898			
1865	5,131	7,105	12,236			
1866	10,133	10,150	20,283			
1867	12,112	9,768	21,880			
1868	11,385	11,691	23,077			
1869	13,209	12,376	25,585			
1870	14,628	9,040	23,669			
1871	20,066	2,068	22,135			
1872	26,754	2,936	29,690			
1873	26,353	3,394	29,748	839	1,493	2,232
1874	18,159	2,543	20,703	449	1,286	1,735
1875	13,480	1,458	14,938	1,203	2,102	3,305
1876	12,361	1,383	13,744	494	3,240	3,733
1877	11,141	1,697	12,838	1,171	3,230	4,401
1878	15,895	3,597	19,462	2,233	3,263	5,495
1879	16,566	2,517	19,083	1,653	3,291	4,944
1880	21,770	1,101	22,871	2,251	2,877	5,128
1881	22,318	5,448	27,765	2,400	2,917	5,317
1882	20,214	5,896	26,110	2,424	3,429	5,852
1883	20,141	4,080	24,222	1,919	3,778	5,697
1884	15,617	4,627	20,243	1,505	3,082	4,586
1885	16,292	6,397	22,689	984	4,149	5,133
1886	18,973	7,521	26,494	1,072	4,056	5,129
1887	19,077	6,247	25,323	1,436	2,984	4,421
1888	16,691	4,583	21,273	1,446	3,352	4,798
1889	17,028	2,791	19,820	1,480	3,686	5,167
1890	16,260	2,946	19,207	970	4,439	5,408
1891	19,332	2,710	28,023	563	4,769	5,332
1892	20,488	5,663	26,152	763	4,894	5,657
1893	20,367	3,900	24,537	878	4,217	5,095
1894	17,135	5,862	22,997	893	4,210	5,102

(a) Adapted from Monthly Summary of Commerce and Finance, Sept., 1904, p. 1211.

(b) From 1861 to 1872 includes Hongkong.

(c) Prior to 1873 included in "Imports and exports from and to China".

TABLE 6 (continued)

Trade of the United States with China, Hongkong and Japan
1861 - 1894 (a)

Unit: \$1,000

Year ending June 30	Total trade with China and Hongkong combined	Value of imports from Japan	Value of exports to Japan	Total
1861				
1862				
1863				
1864				
1865		285	42	327
1866		1,815	255	2,071
1867		2,618	712	3,330
1868		2,424	769	3,194
1869		3,245	1,292	4,537
1870		3,025	571	3,596
1871		5,298	476	5,774
1872		6,537	906	7,444
1873	31,980	7,903	1,175	9,079
1874	22,438	6,468	1,047	7,515
1875	18,243	7,759	1,662	9,422
1876	17,478	15,470	1,100	16,570
1877	17,239	13,687	1,252	14,939
1878	24,988	7,447	2,246	9,693
1879	24,027	9,845	2,677	12,522
1880	27,199	14,510	2,553	17,064
1881	33,082	14,218	1,469	15,687
1882	31,962	14,439	2,541	16,980
1883	29,918	15,099	3,376	18,475
1884	24,830	11,274	2,529	13,803
1885	27,822	11,767	3,057	14,825
1886	31,622	14,886	3,135	18,021
1887	29,744	17,114	3,336	20,450
1888	26,071	18,622	4,214	22,836
1889	24,986	16,688	4,620	21,308
1890	24,616	21,103	5,233	26,336
1891	33,355	19,309	4,808	24,117
1892	31,809	23,790	3,290	27,080
1893	29,632	27,454	3,196	30,650
1894	28,100	19,426	3,987	22,413

(a) Adapted from Monthly Summary of Commerce and Finance, Sept., 1904, p. 1211.

3. Composition of American- Chinese Trade

From the following table, we can see that the nature of the American trade with China experienced an important change

during the period from 1861 to 1894. Many new articles were introduced into the traffic and were to play an important role in the following years. Hides, skins, furs and wool, drugs, dyes, chemicals, straw materials for bonnets and hats, vegetable oils gradually appeared, one after another, in the list of American imports from China, while tobacco and mineral oils appeared in the list of the exports from the United States to the Empire. This period may be looked upon as one of transition. The annual value of some important items of the trade at five-year intervals is shown in the following table:

TABLE 7

Composition of the Trade
1870-1890
Unit: \$1,000

Article	1870	1875	1880	1885	1890
Imports to the United States from China:					
Tea.....	9,796	8,746	9,995	8,039	6,858
Silk, raw and mfrs.....	477	682	6,937	3,787	4,466
Drugs, dyes, opium.....	650	540	1,089	346	407
Hats, bonnets, material of.	216	446	829	980	982
Vegetable oils.....	95	200	162	189	140
Hemps, jute, and mfrs. of.	375	406	529	37	5
Rice and rice flour....	520	931	980	730	603
Spices, sugar, and fruits	859	574	311	181	150
Hides and skins.....	...	...	70	380	130
Furs.....	...	...	..	222	292
Wool.....	...	...	..	103	814
Wool and cotton clothing	75	80	77	156	86
Others.....	1,566	872	1,620	1,142	1,417
Total.....	14,629	13,480	21,770	16,292	16,260
Exports from the United States to China:					
Cotton mfrs.....	626	553	339	3,443	1,231
Coal.....	620	53	10	3	1
Iron and steel mfrs....	114	134	41	802	74
Mineral oil.....	142	411	366	1,455	1,301
Tobacco.....	39	11	5	14	41
Wheat and flour.....	839	35	66	46	59
Others.....	667	268	274	743	243
Total.....	3,047	1,466	1,101	6,396	2,944

Data from Commerce and Navigation, 1870, pp. 16-123, 176-286; 1875, pp. 14-121, 178-284; 1880, pt. I, pp. 14-120, 176-284; 1885, pp. 15-125, 158-280; 1890, pt. I, pp. 12-119, 175-283.

a. Tea

Chinese tea still retained its leading position among the American imports. But, as we have noted above, Chinese tea monopoly in the American market had been gradually shattered since 1865 by the entering of Japanese products. No statistics for the imports of Japanese teas into the United States for the years before 1865 are now available. Since then, however, complete statistics may be obtained from the report supplied by the American Bureau of Statistics. Down to the end of the last century China and Japan together shared the monopoly of the American tea market. About ninety-five percent of the total American tea was imported directly from these two countries. Some Chinese teas were shipped indirectly to the United States by way of England. Indian and Ceylon teas took an insignificant position, usually less than one percent. From the following table we can see that the Chinese tea imports into the United States were declining while those of the Japanese were expanding in the last thirty years of the nineteenth century.

TABLE 8

China's and Japan's Share in the American Tea Trade
1865-1894

Years	Total Annual Average Import in 1,000 lbs.	Total %	China in 1,000 lbs.	% of the total	Japan in 1,000 lbs.	% of the total
1865-69	34,789	100	26,647	77	6,674	19
1870-74	56,642	100	37,997	67	14,120	25
1875-79	62,330	100	29,810	48	25,433	41
1880-84	74,784	100	38,927	52	34,076	46
1885-89	81,606	100	41,078	50	35,692	43
1890-94	88,000	100	45,155	51	38,335	44

Data from Commerce and Navigation, 1870, pp. 60ff., 176ff., 635ff.; 1875, pp. 59ff., 175ff., 630ff.; 1880, pt. I, pp. 62ff., 177ff., 620ff.; 1885, pp. 61, 172, 627; 1890, 633ff.; Monthly Summary of Commerce and Finance, January, 1898, p. 1646.

During the period from 1865 to 1894, the tea imported into the American market had been more than trebled because of the expansion of the United States and the growth of the population. The imports of both Chinese and Japanese tea had increased accordingly in immense amounts. But the Japanese share had been becoming larger and larger, while China's suffered an irrecoverable decline. For example, Japan had a share, in the years 1865-69, of only 19% of the total, while China's share was 77%, more than three fourths. A decade later, the former increased to 41%, more than one third while the latter decreased to 48%, less than one half. Since that year, although Chinese teas had been able to hold their own, even they had felt keenly the severe competition of Japanese products. This, together with the decreasing raw silk exports to the American market owing to the similar competition, served as one of the reasons why the total American imports from China did not make any considerable increase in the history of China trade with the United States during the period 1861-1894.

b. Silk

Silk ranked second among the American imports from China. Prior to 1873, the American merchants imported silks from China to meet all the demands in the United States. This importation was increasing gradually, as shown in the following table:

(See Table 9 on page 207).

TABLE 9

China's share in the American Silk Market
1853-1903

Year	Total Imports of Manufactured Silks into the U.S.	Imports from China Unit: \$1,000	China's % of the total
1853	\$29,834	1,220	4.1
1863	12,656	9.7	0.1
1873	29,126	130	0.5
1883	33,967	350	1.0
1893	38,959	362	1.0
1903	33,995	269	0.8

Data from Commerce and Navigation, 1853, p. 627; 1863, p. 632; 1873, p. 636; 1883, p. 634; Monthly Summary of Commerce and Finance, January, 1898, p. 1618; January 1904, p. 2330.

As the figures show, the imports of silks into the United States were increasing during the period of the last few decades of the nineteenth century. The decline of China's share in the American imports of silks was rapid however. Since 1863, to the end of the last century, it fluctuated around 1% of the total. The reasons for the decline had been mentioned above (p. 128). Chinese silk goods had never been made to suit the taste of the Americans. The United States had in the last two decades of the nineteenth century developed into the largest silk manufacturing country in the world, and could supply her own needs. The American protective tariff, as applied to silk products, had been almost prohibitive since the middle of the nineteenth century. Chinese silks, being unable to bear the burden, thus were the first to be excluded from the American market.

c. Raw Silk

However, the American-Chinese trade in raw silk had come to expand steadily, although the trade in manufactured ones declined during the same period. Due to the steady development of the silk weaving industry in the United States, the importation of foreign raw silk, since 1865, had increased rapidly. In the

two decades 1865-1884, the imports of raw silk increased more than tenfold.³⁸⁶ The quantity and value of imported raw silks increased equably, but China's relative share in the total American silk trade fluctuated violently from 13% to more than 40%, as shown in the following table:

TABLE 10

Raw Silk Imported into the U.S. from China and Japan, 1865-1884

Five-year average	China		Japan		Total American Imports of raw silk	
	Quantity in 1,000 lbs.	Value in \$1,000	Quantity in 1,000 lbs.	Value in \$1,000	Quantity in 1,000 lbs.	Value in \$1,000
1865-69	67	296	14	81	510	2,251
1870-74	498	2,452	60	303	940	4,975
1875-79	410	1,648	485	2,270	1,344	5,958
1880-84	1,303	5,008	994	4,412	2,892	12,592
	% of the total	%	%	%	%	%
1865-69	13.1	13.2	2.7	3.6	100.0	100.0
1870-74	53.0	42.3	6.4	6.1	100.0	100.0
1875-79	30.4	27.6	36.8	38.0	100.0	100.0
1880-84	45.5	43.8	34.4	35.0	100.0	100.0

Data from Commerce and Navigation, 1870, p. 627ff.; 1875, p. 632ff.; 1880, pt. I, p. 633ff.; 1885, p. 631ff.

The above table demonstrates that the competition from Japan in the American raw silk trade was severe during the late 1870's and the early 1880's. The inability of China to profit fully from the increasing demand of the United States for raw silk was because of her own failure to improve her sericulture, to conform to the American standard and to push her silk trade with vigor to offset the Japanese competition.

d. The Shattering of China's Silk Monopoly

China's silk monopoly was shattered when sericulture

³⁸⁶ Commerce and Navigation, 1865, p. 631; 1884, p. 631. Imports of raw silk into America: 250,000 lbs. in 1865; 3,223,000 lbs. in 1884.

was introduced into other countries, but she still held control of silk production in the middle of the nineteenth century. Meanwhile, the exports of raw silk from European countries and Japan were too slight to mention, so the United States had to import Chinese raw silks to meet the demand of her increasing weaving factories. However, the Chinese silk producers, just as the manufacturers of tea, were growing more careless in rearing the silkworm and reeling the fibre. Meanwhile, the Chinese silk traders began to practice adulteration. As a result, the Board of Government of the American Silk Association comprising in its membership nearly all the silk manufacturers in the United States, resolved in 1874 against such practices. The following quotation from the report of the Association in the same year, indicates the competition between China and Japan in those years.

"Eight years ago (about 1865), the Japanese did as the Chinese are now doing, and at the same time the Chinese began to take more care in preparing their silk - re-reeling it and cleaning it for this (American) market, thus the use of Japanese raw silk went out almost entirely. But the Japanese have seen their error and are now trying to remedy it. During recent years, we have some Japanese raw silk, filature reel, which shows what the Japanese can do in the way of supplying this market with the silk which we need; and if the Japanese are willing and determined to get back their lost trade, the Chinese are offering them a good opportunity to do so."³⁸⁷

Besides this, there were other differences in the attitude of the two countries toward the silk trade. The Japanese, through governmental organs, were exerting their full efforts to push the sales of their raw silks in the United States while, in spite of the threatened competition from Japan, the Chinese only adopted the inactive and indolent method of selling this product, and had never made an effort at extensive advertising or exhibition. As shown in the above table, Chinese silk

³⁸⁷Annual Reports of American Silk Association (N.Y.), 1874, p. 27.

in the total American imports decreased from an annual average value of \$2,452,000 during the period 1870-74, to an average of \$1,648,000 during the next five-year period 1875-79, while Japanese silks rose from an average of \$303,000 to \$2,270,000 in the same periods. This was the first time that the United States imported more silk from Japan than from the Chinese Empire.³⁸⁸

During the later years of the nineteenth century, the Japanese took an active interest in improving the quality of their exported raw silk. They established a silk-conditioning house at Yokohama in 1897 and at the end of the last century the examination of silk for watering was made compulsory before exporting it from the country. On the other hand, the Chinese Government had done nothing to carry out such proposals. The strenuous efforts of the Japanese and the carelessness of the Chinese went on side by side for some decades.

In view of the great difference in the attitude of China and Japan toward the silk trade, a decrease in the Chinese silk trade with America and an unusual expansion of Japanese silk trade can be undoubtedly expected. The rapid expansion of Japanese silk trade with the United States can be seen in the following table, by the five-year annual average figures.

³⁸⁸Ibid., p. 46.

TABLE 11

American Imports of Raw Silks by Countries
1885 - 1899

Five-year Average	China		Japan		France	
	Quantity in 1,000 lbs.	Value in \$1,000	Quantity in 1,000 lbs.	Value in \$1,000	Quantity in 1,000 lbs.	Value in \$1,000
1885-89	1,132	3,616	2,258	8,194	265	1,185
1890-94	1,468	4,324	3,284	11,678	267	1,102
1895-99	2,516	6,647	4,315	14,100	334	1,212
1900-04	2,971	8,300	6,109	21,380	491	1,746
	Italy		Other Countries		Total American Im- ports of Raw Silks	
1885-89	948	3,941	...	...	4,656	11,207
1890-94	1,073	4,760	...	...	6,152	22,057
1895-99	1,532	5,969	206	547	8,896	28,475
1900-04	2,631	10,690	296	893	12,492	43,206

Data from Commerce and Navigation, 1890, pt. I, p. 629ff.; Monthly Summary of Commerce and Finance, Jan. 1898, p. 1618; Sept. 1904, p. 1211ff.

During the period 1885-89, about 2.3 million lbs. of raw silk was imported annually into the United States from Japan, at an average value of \$2,194,000. For the next period 1890-1894, it increased to about 3.3 million lbs., valued at \$11,678,000, an increase of about 40% over the figures for the last five-year period. Since then, the increase had been cumulative, or in other words, in geometrical progression, to the end of the last century.

In view of the above figures, the expectations that China's silk trade with the United States would decline seems to have been disproved, because the actual Chinese exports to America constantly and steadily increased both in quantity of value, even though the Americans complained of the poor quality of Chinese silks. During the period 1885-89, the Americans imported annually 1,132,000 pounds of Chinese silks at the value of \$3,616,000. In the next period both the quantity and value grew to 1,468,000

pounds and \$4,324,000 respectively. This expansion of silk trade between China and the United States, in spite of the complaint from the purchasers, is solely because of the rapid development of the silkweaving and knitting industry in the United States and the resulting tremendous expansion of the demand of the latter for raw silk, which the Japanese had never been quite able to meet, even with the improvement and extension of her sericulture. Meanwhile, products of raw silk produced by European countries were extremely limited and most of them were absorbed into their own silk weaving industry. Under these special conditions, the Chinese silk trade with the United States had been saved from a complete downfall through the severe competition of Japan and other countries. Compared with the silk imported into the United States from Japan, however, the decline of the relative importance of Chinese silk from its position in former days was remarkable.

TABLE 12

Quantity Distribution of American Silk Imports in Percentages
1885-1904

	China	Japan	France	Italy	Other Countries	Total
1885-89	24.3	48.3	4.7	20.4	1.3	100.0
1890-94	23.8	53.4	4.3	17.4	1.1	100.0
1895-99	28.3	48.5	3.1	17.2	2.3	100.0
1900-04	23.8	49.1	3.9	21.5	2.4	100.0

Data from Commerce and Navigation, 1890, pt. I, p. 629ff.; Monthly Summary of Commerce and Finance, Jan. 1898, p. 1618; Sept. 1904, p. 1211ff.

During the period 1850-59, two thirds of the total American raw silk was imported directly from China and none from Japan. But twenty years later, 1875-84, China's share decreased to less than one third while Japan shared equally with China in the American silk trade. Since then, Japan had secured a constantly increasing share - one half of the total during the period 1885-1904. China's share, however, fell off to one fourth during

the same period. It is due to the decline of the relative importance of China's silk trade with the United States that we concluded that China was defeated by Japan in the competition for the American raw silk trade.

4. Specie and Gold Bullion, and Balance of Trade

Since 1871, the exportation of specie and bullion from the United States to China and Hongkong had been separately reported. From the following table, we can see that the trade between China and the United States as a whole was, during the period 1871-1894, still consistently in favor of the former as it had been in previous years. In contrast to this condition, the balance of American-Hongkong trade was then consistently against the latter. If we combine the Hongkong trade into the trade of China together as a whole and offset the two opposite balances in corresponding years, a net balance amounting to \$300,467,239 for a period of 24 years is obtained.

The Americans exported silver and gold bullion to China and Hongkong for paying a part of this enormous trade imbalance. As the following table shows, \$207,320,000 worth of specie and gold was sent to China and Hongkong, which amounts to little more than two thirds of the net trade balance during the period 1871-1894. The remaining one third was paid, doubtlessly as formerly, by bills on England, or on European continental countries.

(See Table 13 on page 214).

TABLE 13

Balances of American Trade with China and Hongkong and
Net Specie Shipments Thereto, 1871-94

Unit: \$1,000

Year	Balance in favor of China	Balance against Hongkong	Net Balance in favor of China and Hongkong	Specie (Net) Exported from U.S.A. to China and Hongkong
1871	17,994	.....	17,994	3,570
1872	23,816	.....	23,816	5,999
1873	25,291	.....	25,291	7,154
1874	17,276	.....	17,276	9,341
1875	12,009	899	11,110	6,596
1876	10,964	2,446	8,118	7,923
1877	9,423	2,059	7,364	15,420
1878	12,283	1,030	11,253	16,205
1879	13,780	1,637	12,142	7,297
1880	20,668	626	20,042	6,422
1881	16,870	517	16,353	3,437
1882	14,318	804	13,515	4,414
1883	16,061	1,859	14,202	6,948
1884	10,990	1,579	9,411	9,336
1885	9,896	3,165	6,230	14,572
1886	11,450	2,984	8,469	10,245
1887	12,830	1,548	11,283	10,713
1888	12,108	1,906	10,202	7,552
1889	11,237	2,206	9,031	14,035
1890	13,314	3,469	9,845	10,421
1891	10,621	4,205	6,415	4,646
1892	14,825	4,131	10,794	7,430
1893	16,731	3,339	13,398	8,535
1894	11,273	3,317	7,955	9,111
Total of 24 years	34,034	41,527	300,467	207,320

Before 1874, inclusive, American-Hongkong trade was included in American-Chinese trade. Monthly Summary of Commerce and Finance, January, 1898, pp. 1044-1045.

B. THE CAUSES OF THE SLOW DEVELOPMENT OF THE TRADE

Despite so many favorable conditions for trade expansion, such as the shortening of distances and rapid development of industry in America, the trade failed to achieve the result which might have been expected. The reasons for this failure can be enumerated as follows:

1. The Restrictive Tariff System in the United States after 1862.

When the American Civil War was breaking out in the early 1860's, the Government of the United States soon felt the need of additional revenue for carrying out the war. In 1862 and 1864, Congress passed two tariff acts, one in each year, providing that the rate of imports tax be greatly increased. The two acts

"raised the duties so greatly and indiscriminately that the average rate on dutiable commodities, which had been 37.2 per cent. under the act of 1862, became 47.1 per cent. under that of 1864. It established protective duties more extreme than had been ventured on in any previous tariff act in American history."³⁸⁹

At first, these high duties were regarded as a temporary measure in the course of war, but they were retained, even raised, and systematized in succeeding acts of 1872, 1875, 1883 and 1897, and not even partly removed until the early twentieth century. In addition to manufactured commodities, many kinds of raw materials such as wool were also subject to heavy import taxes. Under these restrictions there is no doubt that American imports from China had been stunted in expansion.

2. The Decline of the American Merchant Marine

The American Civil War retarded the natural expansion of American trade with China, not only by turning the American liberal commercial policies of the preceding years into a system of extreme tariff protection, but also by ruining the magnificent American shipping, and thus shackling import and export. During the period of the bitter struggle between the North and the South, American ships were exposed to dangerous attacks by the naval forces of the opposite camps. As a result, many of the American

³⁸⁹Taussig, p. 167.

vessels were purchased by other countries and many remained in the harbors to avoid the raid. Thus, the American merchant marine, which had been second to none before 1860, suddenly dwindled in importance and activity. By the withdrawal of American ships, large quantities of exports and imports to and from China, which formerly were carried in American bottoms, now had to be transported by the vessels of other countries.³⁹⁰ In 1860, for example, of the \$7,170,781 domestic exports and the \$13,566,587 imports, cargoes valued at \$6,774,422 and \$13,135,340, respectively, were carried by American ships. But in 1893 American imports from China were valued at Haikwan Tael 5,443,569; and exports to China at Haikwan Tael 4,138,000. In the same year the value of cargoes carried by American ships to and from China were Haikwan Tael 688,000 and Haikwan Tael 1,412,000 respectively. It means that the American vessels carried in 1893 only 12.6% of her total exports to China and only 13.2% of her total imports.³⁹¹ The decline of the American merchant marine, which became so marked after the American Civil War, naturally had an adverse effect upon the further expansion of American trade with China.

By 1880, there was a total of forty-two foreign steamships serving the various routes between the Chinese treaty ports. Under the treaty system, the steamship enterprise in the Chinese waters was not monopolized by the imperial government. There were no regulations to bar the nationals of any treaty power from the free entry into this business. In the period 1862-74, there was, in fact, a very keen competition among

³⁹⁰Commerce and Navigation, 1862, p. 603.

³⁹¹Data from Chinese Customs Returns, 1893, Pt. I, cited in Monthly Summary of Commerce and Finance, January, 1898, pp. 1044ff.

American and British companies in the field. In the nineteenth century, although there were far more British trading firms than American in the treaty ports, in the field of shipping Americans had always offered serious competition to the British. At the height of the clipper era by the early 1850's, American ships carried about half of the foreign trade commodities imported to and exported from China. Meanwhile, they also engaged in the transport of merchandise between the treaty ports on behalf of the Chinese traders.

From 1867 to 1874, the clipper ship had declined gradually, and American sailing ships were no longer prominent on the ocean routes to China. However, due to the increasing use of the steamship in the carrying trade between Chinese open ports, American shipping could retain an important place in the trade in China waters. It was also the Americans who took initiative to start a regular line between Canton, Macao and Hongkong. The Americans in the meantime shared a grander scale in the steamship enterprise operating in the great entrepôt of Shanghai and at the estuary of the Yangtze River. Through the good office of the American firm of Russell and Company, China's Shanghai Steam Navigation Company was founded in 1862. For fifteen years, the Chinese company was the largest shipping concern in the empire. Its ships were not only operating on the Yangtze River, but also transporting goods between the Chinese treaty ports.³⁹²

According to the statistics of foreign shipping among the treaty ports in those years, the vessels with American ensign ranked first, or only a close second to the British. By

³⁹² Edward K. Haviland, "American Navigation in China", American Neptune, 18: 59-85 (1958).

1873, the American vessels represented 51.4% of all outward tonnage at the treaty ports. After the fleet of the Shanghai Steam Navigation Company was sold to the Chinese, the American share in this tonnage fell in 1878 to 2.2 per cent. However,

"As a pioneer enterprise, this American concern must be given a central place in any historical account of the steamship business in China. The Shanghai Steam Navigation Company was not only the most successful early undertaking in its field; in the techniques of capital organization and of management it set the pattern in China, in very much the same way as New England entrepreneurs set the pattern of railroad building in the American Middle West."³⁹³

It was not until the late 1870's that the tonnage of American vessels was gradually surpassed by that of the British. The great days of American steam navigation in China came to a close with the sale of the Shanghai Steam Navigation Company's ships and properties in 1877, and a year or two later only one of all the steamers trading on the coasts and rivers of China was flying the American flag. The American flag reappeared during the Sino-French war of 1883-85, when the entire fleet of China's Merchants' Steam Navigation Company was transferred to Russell and Company, but this was only a temporary measure to protect the ships from capture. In July, 1885, they were returned to their Chinese owners and flag. After that, there were from time to time American steamers in service in China but they had not been numerous nor had they formed a substantial portion of the shipping engaged in these waters, in the last few decades of the nineteenth century.³⁹⁴

3. The Declining Gold Value of Silver

The value of American trade with China dropped gradually

³⁹³ K.C. Liu, Anglo-American Steamship Rivalry in China (Cambridge, Mass., 1962), p. 3.

³⁹⁴ Haviland, pp. 59-85.

from three percent in 1860 to less than two percent in 1894 of the total American foreign trade. One of the reasons why the comparative status of American-Chinese trade had been becoming constantly less and less significant to the United States was the decrease of the shrinkage in the value of silver in terms of gold. Although the value of China's trade with the United States increased fairly steadily, it was very slow after the Civil War. Its value in American currency, however, showed an actual shrinkage due to the decline in the gold value of specie. The increase in volume was not even sufficient to offset the decrease in value. While the trade was valued at \$22,472,605 in 1860, it was only \$19,206,680 in 1890.

TABLE 14

Depreciation of the Value of Silver
1871-1894

Year	Rate of each 1 HK Tl.	U.S. Imports from China		U.S. Exports to China		Total Direct Trade	
		In HK Tl,000	In U.S. \$1,000	In HK Tl,000	In U.S. \$1,000	In HK Tl,000	In U.S. \$1,000
1871	\$1.58	10,358	16,366	449	710	10,807	17,067
1876	1.45	7,259	10,526	739	1,071	7,998	11,597
1881	1.37	10,222	16,867	3,300	4,505	13,523	21,372
1886	1.22	9,686	11,816	4,647	5,670	14,333	17,486
1889	1.20	9,034	10,840	7,732	9,278	16,765	20,188
1894	.77	9,264	7,133	16,443	12,661	25,706	19,794

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p.1044.
Tl:T:Tael, (the trade is recorded in terms of the Chinese silver Haikwan Taels, and then converted into American dollars).

From the above table, we can see the rapid decline of the average annual dollar exchange of Haikwan Tael, China's standard silver money for international trade. In 1871, one Hailwan Tael was exchanged for \$1.58. In 1894, only twenty-four years later, the gold value of it dropped to \$0.77, not even half of its former value. Because of this unfavorable exchange for China, purchases from the United States were, of course, discouraged. This is one

of the reasons why U.S. exports to China did not show any remarkable increase in value and, in fact, decreased, during the period 1861-1894. From the point of view of the Chinese, trade with the United States did make some irregular increase, but it did not from the American standpoint. As the above table shows, the trade in silver value jumped from 10,807,000 Haikwan Taels in 1871 to 25,706,000 Haikwan Taels in 1894, an increase of nearly one hundred and twenty percent. But when it was valued in gold the increase is only from \$17,067,000 to \$19,794,000, hardly twenty percent in twenty-four years.

4. The inactivity of American Merchants in China after the Civil War

It was also during this period 1861 to 1894, that the active pioneering American merchants disappeared from the Chinese market.

"It is probably no injustice to those who came later to the market to state that the American mercantile community in the East reached its zenith of development and vigor before the outbreak of the American Civil War. Dryrot was already setting in and the domestic development of the United States was such that men of ability and character equal to that of the pioneers in Asia could now find ampler rewards at home in the fields of manufacturing, banking, and transportation."³⁹⁵

As a result of this condition, all the American mercantile houses famous before the War had withdrawn their capital from China and thrown it into their own internal development for reconstruction. Meanwhile, most of the newcomers from the United States who had come to China after the War, were not well supplied with capital, and sometimes inclined to speculations and methods which nearly damaged the reputation of the old American-Chinese trade.

In December, 1878, Olyphant and Co. failed in the trade and

³⁹⁵ Dennett, p. 579.

withdrew from the Chinese market, and Russell and Co. followed in failure in June, 1891. The failure of these two companies

"eliminated two of the most famous of the older American firms in China, and surrendered to British and German competitors a prestige and commercial leadership in China which the Americans have never regained."³⁹⁶

5. Japan's Competition in the American Market

One of the obvious reasons for the slow expansion of American trade with China during the period 1861-1894 could be found in the severe competition which China began to suffer from Japan in her tea and silk trade with the United States. Before 1854, all the teas and most of the silks imported into the American market came from China. After Commodore Perry opened Japan to international commerce in 1854, Japanese goods began to come into the American market. Japan at once became the strongest competitor of China and in a comparatively short period her tea and silk trade with the United States encroached tremendously upon that of China and almost completely destroyed it.

6. The Effects of the Chinese Immigration Problems and the Anti-Foreign Movements

In addition to all those reasons mentioned above, there is another cause which for the most part accounts for the dry-rot of Chinese-American trade during the latter decades of the nineteenth century. It is the concensus of opinion in business circles that goodwill between purchasers and sellers is essential to the trade expansion. But in the latter part of the last century, the goodwill of the Chinese toward the Americans was at least temporarily marred by the exclusion from the United States

³⁹⁶Ibid., p. 560.

of Chinese, not only laborers as provided in the Treaty of 1880, but very frequently discrimination against merchants and travellers. The anti-foreign and anti-missionary incidents in China also made the Americans incline to doubt the goodwill of the Chinese.

The effects of the Chinese immigration problems hurt the tender feelings of the Chinese and for a long time nullified their goodwill toward the Americans which they had entertained since direct trade was established between the two countries. This resulted inevitably in antagonism to the use of American goods, which culminated in a violent boycott movement against everything American in the early twentieth century. Moreover, the unreasonable stipulations of the immigration treaties, hampering the coming to the United States of such Chinese as bankers, journalists, lawyers, insurance agents, brokers, travelling commercial agents and other professional men, naturally debarred the Chinese from taking active part in the American-Chinese import and export trade. This condition, coupled with the declining interest of American businessmen in trade with China owing to internal development of the United States, accounts largely for the tardiness in the increase of American trade with China.

CHAPTER VII

FROM THE SINO-JAPANESE WAR TO THE REAFFIRMATION OF THE OPEN DOOR POLICY, 1895-1900

A. THE THREAT OF THE DISMEMBERMENT OF THE CHINESE EMPIRE

1. The Scramble for "Sphere of Influence" in China

After the death of Anson Burlingame, the cooperative policy instituted by him and ex-Secretary of State, William H. Seward, had largely broken down. The foreigners, backed by their own governments, were insisting all the more severely upon what they regarded as their rights. Force or the threat to use the force was employed to compel acquiescence in various new privileges infringing upon Chinese sovereignty more flagrantly than ever before. The influence of the Sino-Japanese War was profound. Before the war the Western nations had respected the potential if not the actual power of China, and had patronized Japan. After 1895, scant respect was paid to the Chinese Empire, because the war exposed China's military weakness. In the years immediately following the Sino-Japanese War, there unfolded a period during which the European powers rushed in with demands for concessions, leases of ports and territories, trade privileges, mining and railway rights, and proffer of loans. They vied with one another in a scramble for sphere of influence, which threatened a virtual dismemberment of the Chinese Empire, and which was arrested only somewhat by the Open Door notes of John Hay, the Secretary of State of the United States of America.

Before the signature on the Treaty of Shimonoseki was dry, the Triple Intervention came. Under the pressure of Russia, Germany and France, Japan returned the Liaotung Peninsula to China.

Taking advantage of the immediate need of money for the payment of a huge indemnity to Japan, the powers began to proffer loans to China. And China was forced to grant privileges to them in return.

a. France's Gain in the Southwest

During the period 1894-1898, the three intervening powers achieved their aims in China. In 1895, France secured a statement from China that France would not alienate to any other power the Island of Hainan. China granted to her a priority in the exploitation of the mines of Yunnan, Kwangsi and Kwangtung provinces; agreed to the extension of French railways from Indo-China into Chinese territory; and confirmed a tariff greatly reducing dues on goods passing the southern frontier. In 1897 and 1898 the French further advanced their interests by securing a non-alienation agreement covering the provinces bordering on Tongking; by demanding and receiving definite concessions for the building of railroads in Yunnan province; by the gaining of a lease for ninety-nine years of Kwangchow Bay.³⁹⁷

b. Germany's Gain in the Shangtung Province

Germany had determined to insist on adequate recognition by China of her aid in securing the retrocession of the Liaotung Peninsula. In the spring of 1897 two German priests were murdered in Shangtung Province. This was a suitable pretext. The German Government had served demands on China, including a ninety-nine year lease of Tsingtao and an area including the Kiaochow Bay; the right of railway construction and the exploitation of the coal mines in Shangtung Province. These demands were embodied in the

³⁹⁷P. Joseph, Foreign Diplomacy in China (London, 1928), pp. 119-133.

agreement of March 6, 1898.³⁹⁸

c. Russia's Gain in Southern Manchuria

In less than one week after the landing of the Germans in Tsingtao, Russian warships occupied Port Arthur. Conventions were concluded in May, 1898, by which the tip of the Liaotung peninsula including Port Arthur and Talianwan was leased to Russia for twenty-five years; an extension of the concessions of the Russo-Chinese Bank to include a projection southward to Port Arthur of the Chinese Eastern Railroad; and mining rights in southern Manchuria.³⁹⁹

d. Great Britain's Demands

The advance of these three powers in China, which appeared definitely to foreshadow the break up of the Chinese empire, caused serious alarm in London, and led to the signing of a convention on July 1, 1898, between China and England. The latter gained a lease of Weihaiwai for the period of the Russian occupation of Port Arthur. She also demanded from China a declaration that she would not alienate to any Power the provinces bordering on the Yangtze River; a promise that an English subject should hold the post of Inspector-General of the Maritime Customs so long as British trade supremacy was maintained in China; and an extension of the lease of the peninsula on the mainland opposite Hongkong (present Kowloon).⁴⁰⁰

³⁹⁸O. Hammann, The World Policy of Germany, 1890-1912 (London, 1927), pp. 60-63, 77.

³⁹⁹J.V.A. MacMurray, ed., Treaties and Agreements with and Concerning China, 1894-1914 (N.Y., 1921), I, 127-128, No. 1898/9.

⁴⁰⁰Joseph, pp. 292-300.

e. Japan's and Italy's Demands

Japan, in turn, asked for an agreement from China not to alienate to any other power Fukien Province, which lies opposite Formosa. But the Italian request of a lease of Sanmen Bay was refused by China.⁴⁰¹

2. The American Attitude in the "Battle of the Concessions"

The United States of America, among the treaty powers in the Chinese Empire, was the only one who had not taken part in the scramble of 1897-1898, although she was the second trading power in China after the beginning of the opening up of the country. In the second half of the nineteenth century, the United States gave visible evidence of rapidly coming of age. The discovery of gold in California in 1848 resulted in the rapid settlement of the west coast, and the completion of the transcontinental railroad in 1869 stimulated further economic development. In all sections of the American Continent energetic captains of industry, big and small, were feverishly engrossed in the stupendously profitable task of exploiting the vast resources of the country. The great industrial and unrestricted economic development of the United States were clearly borne out in the last few decades of the nineteenth century. The excess industrial interests began demanding additional sources of raw materials and new markets for the products of their industries, banks expected the government to support them in the extension of their investments to other regions of the world. China, in their minds, was naturally one of them which owned potential markets.

The traditional American policy in China had been fixed

⁴⁰¹F.M. Tamagna, Italy's Interests and Policies in the Far East (New York, 1941), p. 3.

on the principle of non-exclusion. She had always demanded most-favored-nation treatment for herself. She had been willing to see any advantages it secured extended equally to all trading powers. She was willing to compete, but the competition had to be equal and non-discriminating. After 1844, the United States had almost uniformly urged the necessity of maintaining the territorial integrity of China.⁴⁰² For a long time she had been fearful that the European powers would add materially to their colonial territories at the expense of China. She scrutinized carefully and critically every move they made in China. The broad interest of the United States continued to be the preservation of China from territorial disintegration.⁴⁰³ But a series of moves by the European powers had already been made in the opposite direction. When the European powers' "battle of the concessions" in China began, the United States was engaged in the war with Spain.⁴⁰⁴ The American-Spanish War left the United States with the Philippine Islands as a territorial stake in the Far East, making her an Asiatic Power. This produced a close interest in the question of China. More complete information showed the danger of partition of China to be very real. By this time (1899) the United States had awakened to the necessity of action.

⁴⁰²Documents, "American Choices in the Far East in 1882", American Historical Review, 30: 84-108 (1924-25).

⁴⁰³Dennett, "Seward's Far Eastern Policy", ibid., 28: 45-62 (1922-23).

⁴⁰⁴S.F. Bemis, A Diplomatic History of the United States (New York, 1936), p. 425.

B. THE OVERTURES OF GREAT BRITAIN

1. The International Situation in China

Anglo-Russian antagonism in eastern Asia⁴⁰⁵ during these years brought England and Russia to the very verge of war. England's incapacity to prevent Russia's expansion into Northern China was partly responsible for England's decision in 1898 to abandon "splendid isolation".⁴⁰⁶ In the same year, England failed to secure an alliance with Germany, partly due to the German Government's desire to avoid being drawn into the war which they felt sure would break out in Asia between Russia and England. England's attitude in the three-power intervention gave Peking the impression that England was afraid of Russia.⁴⁰⁷ The enmity of China was a serious matter for England as it meant a possible rapprochement between Peking and St. Petersburg. Because of the added influence Russia acquired at Peking, Britain for the first time in the history of her trading relations with China found her supremacy threatened. Almost single-handed, England had opened China to foreign intercourse. From 1860 until 1895 the British had taken the lead in all movements designed to make that intercourse more satisfactory and profitable to the

⁴⁰⁵For the Far Eastern rivalry of European powers during the years 1894-1900, please see B. Rosen, Forty Years of Diplomacy (London, 1922); A. Malozemoff, Russian Far Eastern Policy, 1881-1904 (Berkeley, 1958); L.B. Parkard, "Russia and the Dual Alliance", American Historical Review, 25: 319-410 (1919-20); G.F. Hudson, The Far East in World Politics (Oxford, 1939); W.L. Langer, The Diplomacy of Imperialism (New York, 1960); E. Brandenburg, From Bismarck To The World War, A History Of German Foreign Policy, 1870-1914 (London, 1927); R.S. McCordock, British Far East Policy, 1894-1900 (New York, 1931); R.J. Sontag, European Diplomatic History, 1871-1932 (New York, 1933); Chitoshi Yanaga, Japan Since Perry (New York, 1949), and others.

⁴⁰⁶Sontag, pp. 59-90.

⁴⁰⁷N. Roosevelt, "Russia and Great Britain in China", Foreign Affairs, 5: 80-90 (January 1926-27).

Western nations. England was still the greatest trading Power in 1895 and for some time thereafter, and yet her political influence from 1895 to 1901 was less than it had ever been.⁴⁰⁸

2. The Dilemma of Great Britain

The combined pressure of the Dual Alliance of Russia and France,⁴⁰⁹ supported by Germany,⁴¹⁰ had slowly forced England to concentrate her commercial activities in the Yangtze Valley.⁴¹¹ China in 1898, on the brink of dissolution, presented a problem to England. If the vast Chinese area of independence and free trade should be partitioned among foreign powers, British trade would be shut out or discriminated against in favor of the partitioners. Great Britain was eager to sustain the principles of equal opportunity of trade for all nations because on the basis of even competition at that period she could dominate the market with her goods and her ships; moreover, she then controlled the seas from Gibraltar to Hongkong, and in a war she could close to her enemy ocean trade routes from Europe to the East, and keep them open to herself.⁴¹² Some of Great Britain's statesmen still cherished the hope that those nations favoring equal trade privileges with China might yet be persuaded to unite and secure that desired objective.⁴¹³ Japan and the United States could probably

⁴⁰⁸A. Pelcovits, Old China Hands and the Foreign Office (New York, 1948), pp. 66-150.

⁴⁰⁹Langer, pp. 54-57.

⁴¹⁰Ibid., pp. 184-186.

⁴¹¹Brandenburg, pp. 149-150.

⁴¹²MacNair and Lach, Modern Far Eastern International Relations (New York, 1950), p. 58.

⁴¹³E.V.G. Kiernan, British Diplomacy in China 1880-1885 (Cambridge, 1939), pp. 300-316.

be counted upon. Germany too seemed to desire equal trade facilities, but withheld her support from England partially to avoid becoming entangled in Anglo-Russian rivalry.⁴¹⁴

3. The Pro-British Opinions in the U.S.

Perhaps Great Britain had been encouraged by a letter from a powerful American senator, Henry Cabot Lodge, often a critic of the British, to his friend Henry White, Secretary of the United States Legation in London.

"If I had my way," Lodge wrote, "I should be glad to have the United States say to England that we should stand by her in her declaration that the ports of China must be opened to all nations equally or to none, and if England takes that this may come about, although our foreign policy is always more haphazard than I like to see it."⁴¹⁵

This flurry of interest in the Chinese situation resulted in unusually strong expression of pro-British opinion. In February, 1898, the Review of Reviews stated:

"English influence in China makes for the open and liberal policy that is most favorable for the United States, so far, therefore, as our sympathies are allowed to be governed by our interests, it is plain that we should incline toward the continuance of further development of England's influence and power everywhere in Asia."⁴¹⁶

4. America's Declination of the Overtures of Great Britain

Therefore Great Britain in March, 1898, first confidentially suggested that she and the United States cooperate in opposing any action by foreign powers antagonistic to free Chinese trade, whether this action involved merely the lease of ports on

⁴¹⁴Hammann, pp. 77-80.

⁴¹⁵A. Nevins, Henry White, Thirty Years of American Diplomacy (New York, 1930), p. 166.

⁴¹⁶Cited by N.M. Blake and O.T. Barck, Jr., The United States in Its World Relations (New York, 1960), p. 407.

the Chinese coast or the acquisition of Chinese ports outright. In effect, it was a proposal that the two should act together in maintaining the Open Door.⁴¹⁷ But President McKinley had instructed Secretary Sherman to decline the invitation because the United States was engrossed with the Cuban question and the impending war with Spain. President McKinley minimized the danger to the open door and further, saw no reason for departing from the traditional policy respecting foreign alliance. The Open Door to Chinese trade was of no such vital interest to the United States as the independence and integrity of the American continent had been since 1823.⁴¹⁸

Some of the British statesmen still cherished hope. Sir Edward Grey, in a House of Commons debate on foreign policy, April 5, 1898, pointed out⁴¹⁹ that:

"This is a group of six powers more likely to be interested in the Far East than any other - Russia, France, Germany, the United States, Japan and ourselves, but surely it is for the interests of several of these powers, as much as our own, that there should be an open door to China and a neutral market. We had heard much in recent years of the successful commercial competition of Germany; the United States is successful all over the world, and Japan is competing in that part of the world and it becomes more to the interests of these nations that the policy of the open door should be maintained."

John Hay was ambassador in London at the time and was reporting to Washington this and other debates and discussions along the same lines.⁴²⁰ Secretary of State Day replied for

⁴¹⁷H.C. Allen, Great Britain and the United States (New York, 1955), p. 123.

⁴¹⁸L.M. Sears, "John Sherman, Secretary of State" in The American Secretaries of State and their Diplomacy, ed., S.F. Bemis (New York, 1929), IX, 18-19.

⁴¹⁹Viscount Grey of Fallodon, K.G., Twenty-Five Years, 1892-1916 (London, 1926), I, 24.

⁴²⁰R.B. Mowat, The Diplomatic Relations of Great Britain and the United States (London, 1925), pp. 276-278.

President McKinley on July 14, 1898, that:

"While he (the President) fully appreciates the friendly attitude of the British Government, and the interest which our people have in this country's growing commerce in China, he does not think that this is an opportune time for action in that direction."

Day ended with a significant prophecy:

"The outcome of our struggle with Spain may develop (sic) the need of extending and strengthening our interests in the Asiatic Continent."⁴²¹

The British Prime Minister, Lord Salisbury, had suggested to John Hay, before the latter left England for Washington in August, 1898, to take the office of Secretary of State, that there be formulated an Anglo-American agreement to preserve the integrity of China and the open door, but the idea was rejected because of Hay's fear that "unspeakable Senate of ours would not ratify it."⁴²²

C. THE COMING OF JOHN HAY'S OPEN DOOR NOTES

1. Opinions in the United States

Opinions in the United States at this time can be seen from a series of articles in the North American Review in the early months of 1898 in which "The markets of the Orient", written by Charles Denby, Jr., called attention to the fact that American trade was second only to that of England. From whatever nation dominated Chinese soil the United States should therefore demand tariff equality. Since he was the son of the American minister to China and had himself been Secretary of the Legation at Peking, his announcements attracted considerable attention.⁴²³

⁴²¹L.S. Shippee, "William Rufus Day, Secretary of State", in The American Secretaries of State and Their Diplomacy, p. 143.

⁴²²Dennett, Americans in Eastern Asia, p. 642n.

⁴²³Dulles, China and America, p. 100.

It was evident that the gradual development of spheres of influence in China placed the United States in the dilemma of abandoning either her trade or her policy of non-intervention.⁴²⁴

Meanwhile, however, the protectionist United States had realized the necessity of advocating equal trade privileges in her Far Eastern possessions.⁴²⁵ She was bound eventually to see that unless she gave support to those nations desiring an open door, the United States' growing commerce with China would be effectively throttled.⁴²⁶

2. President McKinley and the Open Door

On September 6, 1898, President McKinley gave the following instruction to the American Peace Commission who submitted their opinions. In this instruction he clearly championed the open door.

"Incidental to our tenure in the Philippines is the commercial opportunity to which American statesmanship cannot be indifferent. It is just to use every legitimate means for the enlargement of American trade; but we seek no advantages in the Orient which are not common to all. Asking only the open door for ourselves, we were ready to accord the open door to others. The commercial opportunity which is naturally and invariably associated with this new opening, depends less on large territorial possession than upon an adequate commercial basis and upon equal privileges."⁴²⁷

3. British Interest in the Maintenance of the Open Door in China

In late 1898 Secretary Hay was busy with the peace

⁴²⁴Bemis, American Foreign Policy and Diplomacy (New York, 1959), p. 349.

⁴²⁵T.A. Bailey, A Diplomatic History of the American People, 6th ed. (New York, 1958), p. 418.

⁴²⁶Bemis, The United States As A World Power (New York, 1952), pp. 8-9.

⁴²⁷R.J. Bartlett, The Record of American Diplomacy (Documents and Readings in the History of American Foreign Relations) (New York, 1947), pp. 382-383.

negotiations with Spain and probably thought little of China. Henry White again wrote to Hay of the British interest in the maintenance of the open door in China.⁴²⁸

British Colonial Minister Joseph Chamberlain was also convinced that the best way out of the Far Eastern dilemma would be for England to strive for some agreement with the United States, Japan and Germany.

"I," said the Colonial Minister, "hold therefore that it is possible that we may without reference to anything in the nature of a permanent or general alliance, nevertheless, come to a common understanding (i.e. on the open door question) ... we may look in confidence to even close cooperation."

To the United States he said:

"I know of a hundred reasons why we should be friends. ... a combination between the two great English-speaking peoples is a combination which would fear no other alliance A combination of that kind would be a guarantee for the peace and civilization of the world."⁴²⁹

Mr. Chamberlain's speech was in fact a notification to the United States. It seemed that the latter's assistance in keeping the door of China open would be welcomed by England.

4. America's Growing Concern over the Chinese Situation

In his annual message to Congress, December 5, 1898, President McKinley gave further evidence of the United States' growing concern over the Chinese situation:

"The United States (he said) has not been an indifferent spectator of the extraordinary events transpiring in the Chinese Empire, whereby portions of its maritime provinces are passing through under the control of the various European Powers; but the prospect that the vast commerce which the energy of our citizens and the necessity of our stable production for Chinese uses has built up in those

⁴²⁸Nevins, pp. 161-170.

⁴²⁹J.L. Garvin, Life of Joseph Chamberlain (London, 1934), III, 303-305.

regions may not be prejudiced through any exclusive treatment by the new occupations, has obviated the need of our country becoming an actor in the scene. Our position among nations having a large Pacific coast and a constantly expounding direct trade with the farther Orient gives us the equitable acclaim to consideration and friendly treatment in this regard, and it will be my aim to subserve our large interests in that quarter by all means appropriate to the constant policy of our Government."⁴³⁰

5. The Renewed Overtures of Great Britain

In England this declaration received a warm welcome. In addition to hinting that American cooperation would be welcomed in Far Eastern Affairs the British were cultivating the good will of the United States by various conciliatory gestures. The British were drifting towards war with the Boers in South Africa and, because of the pronounced hostility of Germany and the general pro-Boer sympathy of the entire world, had to act cautiously in the Far East.⁴³¹ The British Government had not wanted a Spanish-American War; on the contrary, she had felt that the solution of the Cuban question would permit the United States to pay more attention to the Chinese problem.⁴³² The British Prime Minister, Lord Salisbury, was also aware of the possibility of securing assistance from the United States. As a result of the Spanish-American War, the United States acquired the Philippine Islands. America's entrance into the Oriental world, he felt, would sooner or later bring the United States to demand an open door to China. Hence, the United States would not be likely to forget the friendly attitude of England

⁴³⁰J.F. Rhodes, The McKinley and Roosevelt Administration, 1879-1909 (New York, 1927), p. 169.

⁴³¹C. Brinton, The United States and Britain (Cambridge, Mass., 1945), p. 129.

⁴³²W.A. Dunning, The British Empire and the United States (Toronto, 1914), pp. 321-323, 342, 369.

throughout the Spanish-American War, when other great powers in Europe were plainly leaning towards Spain.⁴³³

Overtures were renewed early in January, 1899. The British Foreign Office on the eighth of that month urged that the United States join England in a joint protest against the extension of the French concession in Shanghai. Lord Salisbury felt that if the protests were made jointly their force would thereby be much increased.⁴³⁴ But Hay was obliged to refuse. " 'Give and take', the axiom of diplomacy to the rest of the world," Hay wrote, "is positively forbidden to us, by both the Senate and public opinion. We must take what we can and give nothing, which greatly narrows our possibilities."⁴³⁵

6. The Suggestion of Lord Beresford

Further support of Mr. Chamberlain's and Lord Salisbury's point of view was derived from Lord Charles Beresford, who visited the United States early in 1899 after a tour of the Far East as delegate of the Associated Chambers of Commerce of Great Britain. He employed all his persuasive powers to arouse greater popular interest in the United States for the Open Door. He expounded the idea of a commercial alliance between England, the United States, Germany and Japan, which would be based on the open door principle and understanding in regard to the integrity of China. If such a policy were not adopted, he warned, Russia would soon become all powerful in North China. There

⁴³³Shippee, "Germany and the Spanish-American War", American Historical Review, 30: 745-777 (1924-25).

⁴³⁴Dennett, John Hay, From Poetry to Politics (New York, 1934), p. 285.

⁴³⁵Ibid.

would be a general scramble over the rest of the helpless Chinese Empire and the United States would lose out completely in the future development of the Chinese market.⁴³⁶

7. The Urging of a more Practical Policy

The two governments, however, drew close together because of an agreement made, on February 1, 1899, by the American China Development Company and the British and China Corporation in which the British offered the American enterprise and capital "the British sphere of interest in the Yangtze Valley,"⁴³⁷ and a share in the Canton-Kowloon Railroad, while the American merchants offered the British a share in the Hankow-Canton Railroad.⁴³⁸ One cannot say with certainty that the arrangement between these two companies was part of the price Great Britain paid for the action of the United States on behalf of the open door. But it did create "a community of interest between the two financial groups who undoubtedly exerted pressure on their respective governments for 'united action to secure the open door'."⁴³⁹

Several forces were pushing the United States toward a more practical policy. Annexation of the Philippines resulted in much greater interest in the whole Far Eastern situation. In June, 1898, the American Asiatic Association was organized, through which pressure was repeatedly exerted on the government.

⁴³⁶A.L.P. Dennis, Adventures in American Diplomacy (From Unpublished Documents) (New York, 1928), pp. 209-10.

⁴³⁷C.S. Campbell, Jr., Anglo-American Understanding, 1898-1903 (Baltimore, 1957), p. 164.

⁴³⁸Ibid.

⁴³⁹Campbell, Jr., Special Business Interests and the Open Door (New Haven, 1951), pp. 21-22, 29.

In January, 1899, the State Department received a memorial from the textile manufacturers, who had newly discovered the market in Manchuria and in North China, warning that the Chinese market would be lost to American cotton exports, "unless a vigorous policy is pursued on the part of the ... Government."⁴⁴⁰ The State Department was also under pressure to give greater protection to the more than a thousand American missionaries in China.⁴⁴¹

D. JOHN HAY AND THE OPEN DOOR POLICY

1. The Proposals of A.E. Hippisley and W.W. Rockhill

When John Hay was appointed as Secretary of State in late 1898, he had no advisor on the Chinese question. Because the State Department did not even have a Far Eastern Division,⁴⁴² John Hay himself did not know much about conditions in China. To advise him on this complicated subject he had chosen a friend William W. Rockhill who had served in China before, but it was seven years since he had been there. Rockhill got back from his service as minister to Greece in early 1899.⁴⁴³ In June, Rockhill's friend, Alfred E. Hippisley, an Englishman who had an American wife, arrived in Washington from Peking. He was second

⁴⁴⁰Foreign Relations, 1899, p. 17.

⁴⁴¹A.W. Griswold, The Far East Policy of the United States (New York, 1939), p. 61.

⁴⁴²The Division of Far Eastern Affairs was created in March, 1908. See G.H. Stuart, The Department of State, A History of Its Organization, Procedure and Personnel (New York, 1949), p. 207.

⁴⁴³Dennis, "John Hay" in The American Secretaries of State and Their Diplomacy, p. 183ff.

in command of the Chinese Imperial Maritime Custom Service, an organization staffed with Englishmen but working for the Chinese Government, and he knew Chinese conditions well. Hippisley wrote to Rockhill:

"I venture therefore to suggest that the United States lose no time in calling the attention of all the Powers to the changes now taking place in China, and ... while disclaiming any desire on her part to annex territory ... in expressing her determination not to sacrifice for her annually increasing trade and of the rights and privileges she has secured by treaty with China; and, to assure this end, that she obtain an undertaking from each European Power that all the Chinese treaty tariff shall without discrimination apply to all merchandise entering its sphere of influence; and that by any treaty, ports in them shall not be interfered with."⁴⁴⁴

Unquestionably, here is the substance of the Open Door Notes.

"This is, I think," continued Hippisley, "all that can be attempted now that events have reached the length they have; but it would do much."⁴⁴⁵ He urged that the American Government "do what it can to maintain the open door for ordinary commerce in China."⁴⁴⁶ This letter was soon forwarded by Rockhill to Secretary Hay.

At first John Hay was reluctant to act, recognizing the political danger of flouting the nation's isolationist tradition. President McKinley was even more opposed to any adventurous step. In part, the administration was probably influenced by the opinion of Dr. Jacob G. Schurman, President of Cornell University. He had just returned in August, 1899, from an official fact-finding mission to the Philippines. He discussed the Chinese situation in alarming terms, warning that Russia was likely to take over

⁴⁴⁴Dennett, p. 290-91.

⁴⁴⁵Ibid.

⁴⁴⁶George F. Kennan, American Diplomacy, 1900-1950 (Chicago, 1951), p. 30.

more and more Chinese provinces, "and when it gets them it will do as that country had done hitherto put a duty on all foreign goods."⁴⁴⁷ Another new development was a Russian decree on August 15, 1899, declaring Talienwan on the Liaotung Peninsula an open port for the period of the Russian lease.⁴⁴⁸ This reassuring news might seem to make American action unnecessary, but Hippisley argued that it presented Hay "with a golden opportunity to enlist Russia's support in a general affirmation of the Open Door."⁴⁴⁹

In August, 1899, John Hay was vacationing in New Hampshire. He wrote to Rockhill, requesting him to draft the Open Door notes. Within two weeks, Rockhill forwarded a memorandum to Hay. From this memorandum⁴⁵⁰ the notes were written, with slight verbal changes. On September 6, 1899, the famous notes were sent to England, Russia and Germany, and within the next few months similar notes went out to France, Japan and Italy.

2. The Open Door Notes of 1899

The notes asked each government to give formal assurances for itself, and lend its cooperation in obtaining like assurance from the other interested powers:

"...that each in its respective sphere of whatever influence-

First, will in no wise interfere with any treaty port or any vested interest within any so-called "sphere of interest" or leased territory it may have in China.

⁴⁴⁷Griswold, pp. 68-70.

⁴⁴⁸W.A. Williams, American Russian Relations, 1781-1947 (New York, 1952), p. 30.

⁴⁴⁹Dennis, Adventure in American Diplomacy, pp. 209-214.

⁴⁵⁰Griswold, pp. 494-500.

Second, that the Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports as are within said "sphere of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviabale shall be collected by the Chinese Government.

Third, that it will levy no higher harbor duties on vessels of another nationality frequenting any port in such "sphere" than shall be levied on vessels of its own nationality, and no higher railroad charges over lines built, controlled, or operated within its "sphere" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on similar merchandise belonging to its own nationals transported over equal distances⁴⁵¹

In general terms, the open door was at least as old as the most-favored-nation treaties, for in 1842 Commodore Kearny had exacted this clause from China. By this clause the United States was entitled to the same privileges which any nation secured from China. So far as the document of 1899 was concerned, the name at the bottom was Hay's, but the ideas were largely those of Hippisley, while the actual wording was that of Rockhill. Hippisley was an Englishman, but his ideas neither represented the ideas of the Salisbury cabinet nor those of the Chinese Imperial Maritime Customs Service. He obviously wanted the United States to gain a pledge of good behavior not only from other powers, but from Great Britain herself.

The original open door notes made no suggestion whatsoever of safeguarding China's political independence. They said nothing about equality in so far as it related to industrial or railroad concessions; they only assumed the inevitability of spheres of influence and confined themselves to an attempt to pressure certain carefully defined treaty rights. Since the United States had neither the power nor the disposition to back the Open Door by force at that time, Hay's diplomacy was merely an appeal to the honor of the various governments.

⁴⁵¹Foreign Relations, 1899, p. 131.

3. The Acceptance of the Open Door by the Powers

On November 30, 1899, Lord Salisbury informed the United States as follows:

"Her Majesty's Government will be prepared to make a declaration in the sense desired by your Government in regard to the leased territory of Weihaiwei and all territory in China which may hereafter be acquired by Great Britain by lease or otherwise, and all spheres of interest now held, or which may hereafter be held by her in China, provided that a similar declaration is made by the other Powers concerned."⁴⁵²

On December 16, 1899, France gave the United States the desired assurance that she

"desires throughout the whole of China and, with the quite natural reservation that all the Powers interested give an assurance of their willingness to act likewise, is ready to apply, in the territories which are leased to it, equal treatment to the citizens and subjects of all nations, especially in the matter of Customs duties and navigation dues as well as transportation tariff on railways."⁴⁵³

On December 26, 1899, Japan gave her formal assent to the United States, subject to the acceptance of it by the other Powers.⁴⁵⁴ These three countries gave their consent to the Open Door doctrine with the reservation that "all the powers interested give an assurance of their willingness to act likewise."⁴⁵⁵ In January, 1900, Italy gave its consent without reservation, since she had no "sphere of influence".

In February, Germany consented, with the same reservation as the other three powers,⁴⁵⁶ that the German

⁴⁵²Foreign Relations, 1899, p. 136.

⁴⁵³Ibid., p. 129.

⁴⁵⁴Ibid., p. 139.

⁴⁵⁵Ibid., p. 129.

⁴⁵⁶Ibid., p. 138.

"Imperial Government has, from the beginning, not only asserted, but also practically carried out to the fullest extent, in its Chinese possessions absolute equality of treatment of all nations with regard to trade, navigation and commerce. The Imperial Government entertains no thought of departing in the future from this principle, which at once excludes any prejudicial or disadvantageous commercial treatment of the citizens of the United States of America so long as it is not forced to do so, on account of considerations of reciprocity by a divergence from it by other Governments."

4. The Russian Attitude toward Hay's Notes

Next to England, Hay regarded Russia as the most important. Hay, in seeking the Russian declaration, had stated in the Note to Russia⁴⁵⁷ that

"however gratifying and reassuring such assurances may be in regard to the territory actually occupied and administered, it cannot but be admitted that a further, clearer, and more formal definition of the conditions which are henceforth to hold, within the so-called Russian 'sphere of interest' in China as regards the commercial rights therein of our citizens is much desired by the business world of the United States, inasmuch as such a declaration would relieve it from the apprehensions which have exercised a disturbing influence during the last four years on its operations in China."

On December 30, 1899, the Russian Government gave Charlemagne Tower, the American ambassador at St. Petersburg, the Russian reply to Hay's notes. She disregarded the United States' specific request and expressed her attitude as follows:

"In so far as the territory leased by China to Russia is concerned, the Imperial Government has already demonstrated its firm intention to follow the policy of the 'open door' by creating Dalny (Talienwan) a free port; and if at some future time that port, although remaining free itself, should be separated by a Customs limit from other portions of territory in question, the Customs duties would be levied, in the zone subject to the tariff, upon all foreign merchandise without distinction as to nationality. As to the ports now opened or hereafter to be opened to foreign commerce by the Chinese Government, and which lie beyond the territory leased to Russia, the settlement of the question of

⁴⁵⁷Ibid., p. 174.

Customs duties belongs to China herself, and the Imperial Government has no intention whatever of claiming any privileges for its own subjects to the exclusion of other foreigners. It is to be understood, however, that this assurance of the Imperial Government is given upon condition that a similar declaration shall be made by other Powers having interests in China."⁴⁵⁸

The reply pointed out that the declaration of the free port at Talienwan was proof of Russia's "firm intention" to follow the policy of "the open door"; it accepted the second point of Hay's circular dealing with tariffs in treaty ports, but it completely ignored the third provision, which dealt with railroad tariffs, since she possessed a good deal of railroad property in Manchuria.⁴⁵⁹ John Hay described the reception which Russia gave the United States' proposal as follows:

"Russia would sign no paper, but her Foreign Minister, Count Mouravieff, gave an oral promise to do what France did. Later, he 'flew into a passion' and insisted upon it that Russia would never bind herself in that way; that whatever she did she would do alone and without the concurrence of France. Still he did say it, he did promise, and he did enter into just that engagement. It is possible that he did think that France would not come in, and that other Powers would not. If now they choose to take a stand in opposition to enter the civilized world, we shall then make up our mind what to do about it. At present I am not bothering much."⁴⁶⁰

5. "Final and Definitive"

Secretary Hay refused to be discouraged by the ambiguities of the Powers' answers. In order to win strong public support for his notes at home and abroad, and so that no nation would dare to violate the principle of the Open Door in the future, Hay announced publicly on March 20, 1900, that he had

⁴⁵⁸Ibid., p. 142

⁴⁵⁹W.W. Willoughby, Foreign Rights and Interests in China (Baltimore, 1927), I, 70ff.

⁴⁶⁰W.R. Thayer, The Life and Letters of John Hay, II (Boston, 1914), John Hay to Henry White, April 2, 1900, p. 243.

received satisfactory assurances from all nations to which he had sent his notes.⁴⁶¹

"The _____ Government having accepted the declaration suggested by the United States concerning foreign trade in China, the terms of which I transmitted to you in my instruction No. ____ of ____, and like action having been taken by all the various powers having leased territory or so-called "sphere of interest" in the Chinese Empire, as shown by the notes which I herewith transmit to you,⁴⁶² you will please inform the Government to which you are accredited that the condition originally attached to its acceptance ... that all other powers concerned should likewise accept the proposals of the United States ... having been complied with, this Government will therefore consider the assent given to it by ... as final and definitive. "...The President feels at the successful termination of these negotiations, in which he sees proof of the friendly spirit which animates the various powers interested in the untrammelled development of commerce and industry in the Chinese Empire, and a source of vast benefit to the whole commercial world."

In this note to various powers, John Hay announced that he regarded as "final and definitive" the declaration of the Western Powers that the "Open Door" would be maintained, and that the Chinese empire would continue to collect the customs. In this announcement was implicit the fact of China's exercising the rights of sovereignty in the various spheres of interest. But the open door was merely an enunciation of John Hay's policy, which did not have any binding power so far as international law was concerned. Furthermore, it applied only to relatively small leaseholds and spheres of influence and did not in any way guarantee the territorial integrity of China. Nor did it refer to mining or railway concessions or to capital investments. Vested interests were to be left undisturbed. It is not necessary to say it did not result in a completely open door. What the Open Door succeeded in achieving was the averting of the immediate partitioning of the Chinese Empire which had appeared to be imminent.

⁴⁶¹Foreign Relations, 1899, p. 142.

⁴⁶²Not included here. The copies of this note were sent to the American ambassadors and then transferred to various Powers

E. THE BOXER INSURRECTION

1. The Causes of the Disturbances

The first major challenge to the Open Door was the anti-foreign outburst, culminating in the Boxer Uprising, which followed almost immediately on the heels of the Hay notes and threatening to nullify what Secretary Hay had so laboriously achieved. A careful study will show that the missions were not the only chief cause of the disturbances. The principal object of the Western nations in securing intercourse with China had been the introduction and extension of commerce. But since the 1840's China had time and again suffered war and great humiliation at the hands of powerful European powers. The opium traffic had spread its baleful effects throughout the whole empire. The establishment of lines of steamships and the construction of railroads was throwing hundreds of thousands of Chinese out of a job. The increasing importation of cotton fabrics from the United States and Great Britain was creating idle looms and untilled Chinese cotton fields. American kerosene was destroying the husbandry of vegetable oils. Western commerce also exerted an affect on the domestic industries. After the signing of the Treaty of Shimonoseki and the convention of commerce between Japan and China in 1895, a new impetus was exerted into commercial enterprise. Foreign traders as well as missionaries visited the interior, and the Chinese saw their country being overrun by the foreigners. A scramble for railroad and mining concessions followed, supported by the influence of the envoys of their government; privileges were granted to Russians, British, French, Belgians, Americans, and others. The whole territory of

the Chinese Empire seemed destined to be dismembered and destroyed under the political influences of the Western Powers.

The Boxer Uprising in 1900 was the inevitable culmination of the chain of events which followed the humiliating defeat of the Anglo-Chinese War in 1842. From the Opium War to the Sino-Japanese War and the continued aggressions of the European Powers, China had been repeatedly oppressed by powerful foreign countries. For several decades, anger, melancholy, and resentment had accumulated in the minds of the Chinese people. But they were fearful of the effectiveness of foreigners' warships and guns. In desperation, they hoped more and more to destroy the foreigners by means of magic power. As a result, during a period of eighteen months, beginning with the seizure of Kiaochow Bay in Shangtung Province by the Germans and the diplomatic troubles in connection with railways, mines, and churches, the number of I Ho Tuan, a secret society known as Righteous Harmony Fists or Boxers, rose sharply. The officials used them as an instrument of the anti-foreign movement. Finally the Empress Dowager Tsu Hsi employed them. They began to seriously annoy Westerners in 1899. Soon the anti-foreign movement spread in many provinces. It destroyed the railway station and tracks, cut telephone wires, and attacked foreigners.

2. John Hay's Reaffirmation of the Open Door Policy

On January 27, 1900, the American minister joined the British, French, German, and Italian envoys in sending a note to the Tsungli Yamen demanding the suppression of the Boxer and protection of the foreigners. On February 25, the American legation was informed that a decree had ordered the high officials to

suppress the societies. But the spirit of unrest prevailed everywhere. On June 11 a secretary of the Japanese Legation was murdered. At this time the Western soldiers in the Legation Quarter in Peking were fully armed in self-defence. The Western Governments began to assure each other of their intention to co-operate. The Government of the United States also departed from its customary policy of avoiding concerted action, and agreed to act concurrently with the other European powers. On July 2, 1900, during the Boxer siege of the Legations and the Pehtang Cathedral in Peking, the French government proposed that the powers should agree upon the maintenance in China of the territorial status quo.⁴⁶³ American Secretary John Hay also tried to forestall demands of other powers that would result in the partition of the Chinese Empire. On July 3, 1900, he defined American policy in a circular telegram to the other powers:⁴⁶⁴

"In this critical posture of affairs in China it is deemed appropriate to define the attitude of the United States as far as present circumstances permit this to be done. We adhere to the policy initiated by us in 1857 of peace with the Chinese nation, of furtherance of lawful commerce, and of protection of lives and property of our citizens by all means guaranteed under extraterritorial treaty right and by the law of nations. If wrong be done to our citizens we propose to hold the responsible authors to the uttermost accountability. We regard the condition at Peking as one of virtual anarchy, whereby power and responsibility are practically developed upon the local provincial authorities. So long as they are not in overt collusion with rebellion and use their power to protect foreign life and property, we regard them as representing the Chinese people, with whom we seek to remain in peace and friendship. The purpose of the President is, as it has been heretofore, to act concurrently with the other powers; first, in opening up communication with Peking and rescuing the American officials, missionaries, and other Americans who are in danger; secondly, in affording all possible protection everywhere in

⁴⁶³ E.T. Williams, China Yesterday and Today, 4th ed. (New York, 1929), p. 501.

⁴⁶⁴ Foreign Relations, 1901, Appendix, p. 12.

China to American life and property; thirdly, in guarding and protecting all legitimate American interests; and fourthly, in aiding to prevent a spread of the disorders to the other provinces of the Empire and a recurrence of such disasters. It is of course too early to forecast the means of attaining this last result; but the policy of the Government of the United States is to seek a solution which may bring about permanent safety and peace to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world the principle of equal and impartial with all parts of the Chinese Empire"

F. THE SIGNIFICANCE OF THE OPEN DOOR POLICY

This important dispatch went significantly beyond the Open Door notes of 1899. It asserted that American policy was to obtain permanent peace and security for China, preserve Chinese territorial integrity and administrative independence, protect treaty rights granted to the foreigners and maintain the Open Door. The reiteration was more forceful. The powers gave their adhesion. Once again the American public received the impression that Hay had scored a striking diplomatic victory. The truth was that the Far Eastern situation was responding much "more to the hard realities of power politics than to the moral pronouncements of the American State Department."⁴⁶⁵

Great Britain's advocacy of the open door was by no means hypocritical. Under the open door whereby Chinese ports had been open to all merchants on a basis of equality, the English had done extremely well. Their share in China's total foreign trade was about 65 per cent.; their domination of the carrying trade in and out of Chinese ports was even greater, amounting to about 85 per cent. If the Chinese Empire was

⁴⁶⁵J. Barnes, ed. Empire in the East (New York, 1934), p. 289.

partitioned among the powers, no share that England might acquire could compensate her for exclusion from the rest. Although at the same time when she advocated the open door, England was playing her traditional balance of power game by extending its own lease-holds and sphere of influence, England's sincerity in advocating continuance of the open door could therefore scarcely be doubted. Yet the problem was far from simple. To insist on trading equality even to the point of war was fraught with danger unless Great Britain could count upon the support of some other nation.

Did the United States have anything to lose in the scramble? Very little, for most Americans would have replied before the Spanish-American War. The trade was far from impressive. Only about two per cent. of the total American foreign trade was with China. The Chinese market seemed of little importance to the United States when compared with that of Europe. But American businessmen who had been studying the Chinese market could see great potentialities for the future. As China's demand for western goods increased, the possibilities for trade expansion seemed almost limitless. Given a fair competitive opportunity, American industries believed they had an excellent opportunity to outsell their foreign rivals. The acquisition of the Philippines naturally forced the United States to participate in the affairs of the Far East and to demand an open door in China. In 1898, Britain suggested a joint statement by the two nations, calling for equality of commercial treatment for all nations, regardless of spheres of influence. This proposal was analogous to the Canning proposal to Rush in 1823, concerning a joint proclamation with regard to Latin America. As in 1823,

however, the United States pursued an independent course.

The Open Door notes of 1899 embodied some of Hippisley's thoughts and also included some of Rockhill's own ideas. Secretary Hay, of course, did not originate the idea of the open door, nor were its provisions entirely his own. He sponsored it and secured its acceptance at a critical moment in international relations. It was at the time a temporary expedient. It was frequently violated, therefore, and it was never embodied in an American treaty until 1922. Yet in a popular sense Hay's fame as a diplomatist rests largely on the "open door", and the average American thinks he is right in standing proudly for its principles as a doctrine laid down by Hay. The open door is little more Hay's doctrine than the Monroe Doctrine was really Monroe's. Although the American public praised his role in saving China from partition and averting war in the Far East, Hay's diplomacy of 1899 and 1900 was of vast importance for the future. Like the Monroe Doctrine in 1823, he had laid down certain principles, to which subsequent Secretaries of State again and again resumed. Most powers adhered to it with a fair degree of consistency, but not as a measure of respect for preserving the territorial and administrative integrity of China, or for the might of the United States; rather, due to the fact that it was advantageous to them at the time, because a number of political crises were occupying their attention in other parts of the world. They were willing to preserve the status quo in the Far East for the time being, rather than be involved in war in China.

CHAPTER VIII

THE COURSE OF TRADE (1895-1900)

A. A PERIOD OF IRREGULAR INCREASE OF TRADE

1. A New Commercial Status

China's war with Japan exposed her weakness. The European powers rushed into the Chinese Empire with a common land-grabbing policy. From the close of the Sino-Japanese War in 1895 to the Boxer Uprising in 1900, the contest to secure railway concessions in China was one of the chief features of the "Battle of Concessions" waged among European nations. Concessions of railway construction in certain selected parts of China was considered by the powers as an effective means of creating and insuring their respective "spheres of influence". The Battle for the "spheres" had naturally a great effect upon American-Chinese trade. The purchase of Alaska, the annexation of the Hawaii Islands, and the occupation of the Philippines gave the United States a new commercial status in the Pacific. All these events had their respective effects in shaping American trade with China during the period 1895-1900.

2. The Downward trend of the Importance of the Trade

In 1895, as the following table shows, the total American-Chinese trade amounted to \$24,150,000 in value.

TABLE 15

Value of American Imports from and Exports to China and Hongkong,
1895-1900

Unit: \$1,000

Year end- ing June 30	China			Hongkong			Total		
	Im- ports	Ex- ports	Total	Im- ports	Ex- ports	Total	Im- ports	Ex- ports	Total
1895	20,546	3,604	24,150	776	4,253	5,029	21,322	7,857	29,179
1896	22,023	6,922	28,945	1,416	4,691	6,110	23,442	11,613	35,055
1897	20,404	11,924	32,328	924	6,060	6,984	21,328	17,984	39,312
1898	20,326	9,993	30,319	747	6,265	7,012	21,073	16,258	37,331
1899	18,619	14,493	33,112	2,479	7,733	10,212	21,098	22,226	43,325
1900	26,897	15,259	42,156	1,256	8,486	9,742	28,158	24,112	52,270

Adopted from Monthly Summary of Commerce and Finance, Sept., 1904, p. 1211.

It increased rather irregularly reaching a total of \$42,156,000 in 1900 (ending June 30). The figures show some increase, but, so far as China was concerned, the comparative importance of the trade did not change. The share of the United States in the distribution of China's foreign trade was 6.7% in 1896. It increased to 9.5% in 1899.

TABLE 16

The Foreign Trade of China in Percentages

Year	The United States of America	Great Britain	British India	Europe except Russia	Russia and Siberia	Japan	Hong- kong
1896	6.7%	16.5%	7.4%	8.0%	5.0%	8.4%	42.5%
1899	9.5	11.7	7.8	10.2	2.2	11.5	41.6
1902	10.5	12.8	6.8	10.8	8.1	12.2	40.8

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p. 1644; April, 1898, pp. 1632-3, 1638-9; Jan., 1904, p. 2330; Sept., 1904, p. 1211ff.

During this period American trade expanded with the Oriental countries as a whole, especially her trade with British East India, Dutch East Indies, and Japan. In comparison with those places,

the importance of Chinese trade in the total foreign trade of the United States had a downward trend. As a whole, the American trade with China increased from 1.57% in 1895 to 1.88% in 1900, while that with Japan increased in the same period from 1.84% to 2.74%, that with British East Indies from 1.57% to 2.24%, and that with Dutch East Indies from 0.58% to 1.32%. In 1900 China was the tenth largest purchaser for American products, and ranked sixth among the countries importing goods from the United States.

TABLE 17

Percentages of Total Value of Imports from and Exports to Oriental Countries Computed on the Total Value of Imports and Exports of the United States as Bases

Year	China			Hongkong			Japan			British East Indies		
	Imp.	Exp.	Total	Imp.	Exp.	Total	Imp.	Exp.	Total	Imp.	Exp.	Total
1895	2.81	0.45	1.57	0.11	0.53	0.33	3.24	0.57	1.84	2.90	0.35	1.57
1900	3.18	1.10	1.88	0.15	0.62	0.43	3.84	2.08	2.74	5.34	0.34	2.24

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p. 1644; Sept., 1904, p. 1212ff.

In spite of these unfavorable conditions such as the battles of "spheres of influence", American trade with China did show a little increase during this period. In 1898 the total American trade with China, including Hongkong, was valued at 29 million dollars; five years later, in 1900, it was more than 50 million.

3. Composition of American Exports to China

a. Cotton Cloth

The following table includes some important articles exported from the United States to China. There were only two items which exceeded one million dollars in annual value. Among these articles, cotton cloth was the most important.

TABLE 18

Composition of American Exports to China 1895-1901

Article	1895		1898		1901	
	\$1.000	%	\$1.000	%	\$1.000	%
1 Bread Stuff, excluding wheat flour.....	9	0.2	21	0.2	144	0.3
2 Bread Stuff, wheat flour.....	104	2.9	89	0.9	334	3.1
3 Cotton cloth.....	1,703	47.3	5,196	52.0	4,553	42.5
4 Cotton, unmanufactured.....	...	...	371	3.7	...	...
5 Fruits and nuts.....	14	0.4	32	0.3	81	0.8
6 Iron and steel, machinery.....	...	...	121	1.2	284	2.6
7 Iron and steel, other mfrs....	118	3.3	244	2.4	554	5.1
8 Meat, dairy products and other provisions.....	35	1.0	76	0.8	427	4.0
9 Leather and tanned skins.....	3	0.1	5	0.1	28	0.3
10 Oils, mineral, refined.....	1,181	32.8	2,865	28.7	2,445	9.5
11 Tobacco, manufactured.....	105	2.9	328	3.3	522	4.9
12 Tobacco, unmanufactured.....	1	...	18	0.2	25	0.2
13 Wood, boards and planks.....	65	1.8	120	1.2	138	1.3
14 Wood, manufactures of.....	24	0.7	48	0.5	201	2.7
15 Other articles.....	242	6.7	450	4.6	957	8.9
Total American exports to China	3,604	100.0	9,993	100.0	19,610	100.0

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p. 1645; April, 1898, pp. 1632-3, 1638-9; Jan., 1904, p. 2330; Sept., 1904, p. 1211.

In 1895 it amounted to more than one third of the value of the total exports, and in 1898, more than a half. China was then the second largest market for cotton piece goods, second only to British India.⁴⁶⁶ Most of the American cotton fabrics sent to China were plain fabrics, such as sheeting, shirting, jeans, ducks, and a few dyed cottons. The American cotton piece goods trade with China became very prosperous during this period due to the fact that no one country could offer any strong competition to the American cotton manufacturers, except the British. The Chinese and Japanese cotton industries were not as yet well developed. The demand of the Chinese people for these cloths became more intense as evidenced by the rapid increase of their total imports.

⁴⁶⁶Monthly Summary of Commerce and Finance, Jan., 1898, p. 1645; Jan., 1904, p. 2330ff.

TABLE 19

American Cotton Cloth Exports to China, 1891-1900

Five year average	Quantity 1,000 yards	Value, \$1,000	Value of Total American ex- ports to China, \$1,000	% of Cotton Goods Value to Total
1891-1895	52,182	3,082	5,546	56.0
1896-1900	146,389	7,019	11,718	60.0

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p. 1645; Jan., 1904, p. 2330ff.

b. Refined Mineral Oil

Refined mineral oil ranked second among the items of American exports to China. Before the 1860's, this item was not an article of general commerce in China. In 1867 thirty thousand gallons of it was imported into the foreign settlement in China.⁴⁶⁷ Later on it was generally accepted by the Chinese. In 1870 the total importation of kerosene oil was just over 280,000 gallons, but it increased to 84,000,000 gallons in 1900. No imported articles had gained such ground among the Chinese people as kerosene. The United States possessed one of the richest petroleum resources of the world and developed the oil industry at a much earlier date than all the other countries. So in the 1870's and 1880's the United States actually monopolized the oil trade of China.

TABLE 20

American Mineral Oils Exports to China, 1891-1900

Five-year average	Quantity in 1,000 Gallons	Value in \$1,000
1891-1895	26,173	1,854
1896-1900	33,804	2,711

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p. 1645; Jan., 1904, p. 1648ff.

⁴⁶⁷Morse, The Trade and Administration of China (London, 1928), p. 317.

But in the last decades of the nineteenth century, Russia successfully exploited her oil resources in Siberia, and began to export oil to China in 1889. Sumatran oil was first introduced into China in 1894. Since the 1890's China's oil market was not solely controlled by the Americans. Competition in the Chinese oil market had become very keen. Although the export of the American oil to China had increased rapidly in quantity, its share in China's total oil import trade declined. In 1890, 76.5 per cent. was American, 24.5 per cent. Russian, while only a few years before, one hundred per cent. was American and Russia had none. Since 1890, however, Russia's share had greatly expanded.

TABLE 21

China's Oil Import Trade in Percentages, 1870-1900

Year	Total Imports of Kerosene Oil into China		Percentages					
			The United States		Sumatra		Russia	
	Quantity in 1,000 Gallons	Value in \$1,000	Quantity	Value	Quantity	Value	Quantity	Value
1870	281	....	100%	100%				
1880	3,429	....	100	100				
1890	30,829	5,189	76.5	80			24.5%	20%
1900	83,580	10,382	41.5	45	19.4%	18%	39.1	37

Data from Commerce and Navigation, 1870, p. 30; 1880, p. 34; 1890, p. 32; 1900, p. 37.

Sumatra also made a formidable start to compete with American oil. As a result, American supremacy in oil trade was seriously threatened when in 1900 the share of the United States was only 41.5%, while that of Sumatra was 19.4%, and that of Russia, 39.1%. This is because the latter two were China's immediate neighbors. They have the advantage of propinquity to the market over the United States.

As the above general survey shows, the products of a

simpler form of manufacturing industry were as a whole tending to decline while those of the highly complex industries were on the increase. The market of iron and steel machinery in China was also expanding because China had no such highly developed large-scale industries during the period.

4. Composition of American Imports from China

TABLE 22

Composition of American Imports from China, 1895, 1898, 1901.

Article	1895		1898		1900	
	\$1,000	%	\$1,000	%	\$1,000	%
1.Antimony, ore and regulus.	...	...	8	...	24	0.1
2.Bristles, sorted & bunched	29	0.1	122	0.6	127	0.7
3.Chemicals, drugs, dyes, etc.	997	4.9	775	3.8	1,001	5.4
4.Explosives, firecrackers..	372	1.8	141	0.7	235	1.3
5.Furs.....	276	1.3	205	1.0	42	0.2
6.Hats, Hoods, bonnets, material of.....	565	2.8	632	3.1	553	3.0
7.Hides & skins, other than furs.....	481	2.3	1,211	6.0	1,453	7.9
8.Matting and mats.....	551	2.7	350	1.7	986	5.4
9.Oil, vegetable.....	102	0.6	96	0.5	128	0.7
10.Rice and rice flour.....	504	2.4	561	2.8	489	2.7
11.Silk, raw.....	5,512	26.9	7,506	37.0	6,304	34.4
12.Silk, waste.....	95	0.4	106	0.5	63	0.3
13.Silk, manufactures of.....	241	1.1	136	0.7	150	0.8
14.Spices, unground.....	85	0.4	22	0.1	123	0.7
15.Spirits, distilled.....	19	0.1	11	0.1	24	0.1
16.Tea.....	7,534	36.8	5,827	28.8	4,864	26.5
17.Vegetable.....	53	0.2	50	0.2	79	0.4
18.Wood, manufactures of.....	63	0.3	70	0.3	117	0.6
19.Wool, unmanufactures.....	1,699	8.3	1,565	7.7	631	3.4
20.Other articles.....	1,370	6.7	900	4.4	911	5.0
Total American Imports from China.	20,546	100.0	20,326	100.0	18,304	100.0

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p. 1618; Jan., 1904, p. 2330, passim; Sept., 1904, p. 1211, passim.

a. Silk and Raw Silk

During this period, silk held the first place and was by far the most important among all the items imported to the United States. The annual trade in raw silk alone constituted more than one third of the total American import trade with China.

Chinese silk imported to the United States had been steadily increasing in quantity and value, although Japanese competition in the field was very keen. This is because the rapidly growing silk industry in the United States demanded raw material. But China had lost much of her share in the American silk market in comparison with Japan. The reason for the expansion of the American-Chinese trade in silk and the decrease of China's share in this trade was the same as that mentioned in Chapters IV and VI.

TABLE 23

American Imports of Raw Silk, 1885-1900

Year Average	Quantity in 1,000 lbs.	Value in \$1,000	Quantity in 1,000 lbs.	Value in \$1,000	Quantity in 1,000 lbs.	Value in \$1,000
	China		Japan		France	
1885-89	1,132	3,616	2,258	8,194	265	1,185
1890-94	1,468	4,324	3,284	11,678	267	1,103
1895-99	2,516	6,647	4,315	14,100	334	1,212
1900-04	2,971	8,300	6,109	21,380	491	1,746
	Italy		Other Countries		Total	
1885-89	948	3,941	....	....	4,656	11,207
1890-94	1,073	4,760	....	....	6,152	22,057
1895-99	1,532	5,969	206	547	8,896	28,457
1900-04	2,631	10,690	296	893	12,492	43,206

TABLE 24

American Silk Imports in Percentages, 1885-1904

Year average	China	Japan	France	Italy	Other Countries	Total
1885-89	24.3%	48.3%	5.7%	20.7%	1.3%	100.0%
1890-94	23.8	53.4	4.3	17.4	1.1	100.0
1895-99	28.3	48.5	3.1	17.2	2.3	100.0
1900-04	23.8	49.1	3.9	21.5	2.4	100.0

Data from Commerce and Navigation, 1890, pp. 185, 250ff.; Monthly Summary of Commerce and Finance, Jan., 1898, p. 1618; Jan., 1904, p. 2330.

b. Tea

Chinese teas, formerly the most important article of American import from China, was steadily declining both in quantity and value. In 1895, \$7,534,000 worth of tea was imported from China; in 1898, \$5,827,000; and in 1901, \$4,864,000 was imported to the United States. In the former year it constituted 36.8% of the total imports, and it declined to 28.8% in 1898, and to 26.5% in 1901. In 1895 total American direct imports of tea from China attained their highest peak, being fifty-five million pounds. Since 1896 the decline had been heavy and consistent. It dropped from 48,310,000 pounds in 1895-1899 to 46,560,000 pounds in 1900-1904. The percentage of these figures in the corresponding periods are 54% and 49.6%. The decline of Chinese tea trade with the United States resulted partly from the inefficiency in the method of tea manufacture and the non-improvement of the quality of Chinese tea, and partly from the strong competition of Japan, India, Ceylon and Java.

TABLE 25

American Tea Imports from China and other countries, 1895-1900

Year (quin- quennial averages)	China		Japan		Great Britain		British East Indies	
	1,000 lbs.	%	1,000 lbs.	%	1,000 lbs.	%	1,000 lbs.	%
1895-99	48,310	54.0	35,037	39.0	3,487	4.0	1,647	2.0
1900-04	46,560	49.6	36,222	38.5	4,380	4.6	4,953	5.3
Year (quin- quennial averages)	Dutch East Indies		Canada				Total	
	1,000 lbs.	%	1,000 lbs.	%			1,000 lbs.	%
1895-99	0	0.0	1,429	1.0			89,629	100
1900-04	1	0.0	1,735	2.0			94,342	100

Data from Monthly Summary of Commerce and Finance, Jan., 1898, p. 1646; June, 1901, p. 1638ff.; Sept., 1904, p. 1213.

c. Other Articles

Other important articles included wool, hides and skins, bristles, vegetable oils and furs. As the above general survey shows, the increasing importation of raw materials and the decrease of finished goods was a tendency which had indicated itself clearly with the advancement of time. The imports of raw and semi-raw materials to supply American industries for further production was significant.

5. Balances of American Trade with China

Throughout the whole period, from the beginning of Sino-American trade to the close of the nineteenth century, the "favorable" balance to the Chinese was the smallest in the six year period ending in 1900. In the years 1861-1894, the average balance in favor of China was nearly 15 million dollars a year. But during this period (1895-1900) the demand of the Americans for Chinese goods became more and more slight, while the need of the Chinese for the American products more and more heavy.

TABLE 26

Balance of Trade Between The United States and China, Including Hongkong, 1895-1900

#: Excess of American exports to China

-: Excess of American imports from China

Unit: \$1,000

Year	China		Hongkong		Total	
	#	-	#	-	#	-
1895	16,942	3,477	.....	.....	13,465
1896	15,101	3,272	.....	.....	11,879
1897	8,480	5,136	.....	.....	3,344
1898	10,333	5,519	.....	.....	4,815
1899	4,126	5,253	.....	1,128	.....
1900	11,638	7,230	.....	.....	4,408

Data from Monthly Summary of Commerce and Finance, Jan., 1898, pp. 1618-19, 1644-46; June, 1901, p. 1616ff.

Moreover, if we consider Hongkong as a part of commercial China, the balances in favor of them (China and Hongkong) were declining. Even in 1899 the balance was in favor of the United States. This is because the exports of American products, such as foodstuffs and manufactures to Hongkong, increased at a more rapid rate than the American imports from those ports, and the balance was consistently in favor of the United States.

c. The Exportation of Specie and Bullion to China from U.S.

Throughout this period the imports of silver and gold from the United States continued. From 1895 to 1900 the total net American export of specie and bullion to China and Hongkong combined was \$42,693,000 and the net gold export only \$364,000.

TABLE 27

Value of Net Exports of Gold and Silver Coin and Bullion from The United States to China and Hongkong, 1895-1900.

Unit: \$1,000

Year	Silver	Gold	Net Import of Gold into U.S. Therefrom
1895	8,450	75	....
1896	8,215	119	....
1897	5,460	78	....
1898	7,798	64	....
1899	4,561	..	168
1900	8,209	28	....
Total..... 42,693		364 <u>-168</u>	168
Net gold export		196	

Data from Monthly Summary of Commerce and Finance, Jan., 1898, pp. 1044-45, 1618; June, 1901, p. 1042ff.

But according to the Chinese Customs Returns, the United States imported much silver from Hongkong every year. China received only a small amount directly from the United States, while a large

part of the American specie export went from Hongkong to south Asiatic countries such as British India and the Straits Settlements, during the last two decades of the nineteenth century.

B. THE CAUSES OF THE IRREGULAR INCREASE OF SINO-AMERICAN TRADE, 1895-1900

1. The Complete Opening of the Chinese Empire

In spite of the severity of international competition for China trade, the total American trade with China (including both exports and imports) was increasing gradually during this period. The reason for this is summarized as follows. As a result of the signing of the Treaty of Shimonosiki in 1895 and the Convention of Commerce between China and Japan in the next year, the privileges of the foreigners expanded rapidly under the most-favored-nation principle. From 1895 on, China opened her internal rivers and canals to the navigation of foreign vessels, and gave Westerners the right to purchase Chinese goods or produce in the interior of the Empire; to rent warehouses without paying special taxes; to engage freely in all kinds of manufacturing industries in the treaty ports; to import all kinds of machinery, paying only the stipulated imports duties thereon, and upon products manufactured by them in China paying only such inland transit dues as were levied on imported merchandise. These privileges were naturally extended to the Americans.

2. The Effects of the "Sphere of Influence"

The complete opening of the Chinese Empire should have

led to the rapid expansion of Sino-American trade, but the above figures do not show much increase in the period of six years. This is mainly because the treaty powers, such as Great Britain, Russia, France, and Japan, attempted to close the door of certain areas in China to others, so that they might solely share the interests of their "sphere of influence" and exterminate competition of other nationals. Such being the case, it is no wonder that the Americans, with no spheres of influence in China, should have been handicapped in their trade with the Chinese. This was the main cause of Secretary Hay's announcement of the Open Door policy in China in 1899.

3. The Intense Interest of the Americans in the China Trade

As we have noted above, Chinese trade with the United States was declining after the American Civil War. But in the 1890's, the American internal development had attained almost full completion, so that their capital could be partly withdrawn from domestic enterprises and invested into foreign commerce. American industry also had to find foreign markets for its produce. In the meantime, America needed to import raw materials from other countries to supply her industry. Thus the attention of the Americans was again attracted to international trade. China was considered as one of the largest and most potential markets in the world, if not then, at least in the near future. Their intense interest in the China trade was evidenced not only by the declaration of the Open Door notes in the Empire, but also by the acquisition of the Philippines. Although the period from 1894 to 1900 marked an era in which the severity of international competition for China trade was to attain its zenith, its effect

on the total American trade with China was not very strong (its effect would express itself more fully in the first decade of the twentieth century). Under these conditions, the quantities of Sino-American trade was increased irregularly and slightly from 1895 to 1900.

CHAPTER IX

CONCLUSION

A. RECAPITULATION

Relations between the United States and China can be traced back as far as the years before the establishment of the United States as an independent Republic, when Chinese teas had been regularly imported by the British East India Company or irregularly smuggled by Dutch merchants. 1784 was the memorable year when the Empress of China reached Canton to begin direct American-Chinese trade. Since then, commercial intercourse between the two countries had thus run its course throughout the nineteenth century and the growth of trade had in practice coincided with the expansion of the United States.

The whole course of American trade on the China coast from 1784 to 1900 may be divided, for the convenience of discussion, into several periods as follows: the period from 1784 when direct trade began to the signing of the Cushing treaty in 1844 is one of non-treaty or informal commercial intercourse. Within sixty years the Americans, first following the English, played a very active role in China's international trade, then

took a part second in importance to that of no other nation. Freed from the handicap of the restrictive colonial system after Independence, numerous American vessels busily plied the Pacific between the coasts of China and America. They imported Chinese tea and silk from the Empire and sent to the latter first specie and ginseng, and later, furs, sandal wood and other products which they could get from other countries.

The early fur trade came to an end in 1820 while trade in sandal wood had also passed its zenith. New conditions arose, however, to cause a steady increase of American-Chinese trade. The rapid growth of the population and wealth in the United States resulted in increasing demand for teas and silks. As a result, those Chinese luxuries gradually commanded American markets. In the meantime, the American merchants were better able to pay for Chinese products with bills of exchange on England, instead of exporting numerous specie to the Empire. The quantity of American domestic exports also gradually increased. In 1844 the Government of the United States, taking advantage of the first Anglo-Chinese War, sent Caleb Cushing to China and concluded with the Chinese Empire the Treaty of Wanghia.

The signing of the first Sino-American commercial treaty marked the beginning of a period of temporary trade expansion and then gradual decline. This period naturally commences in 1845 when treaty relations and formal commercial intercourse between the two countries began under the stipulation of the Treaty of Wanghia and ended in 1895 when China was defeated by Japan. It again could be divided into two divisions with the American Civil War as the line of demarcation. Before 1860 the enterprising activity of the energetic American businessmen

reached its peak. Due to its great shipping equipment which was then second to none on the seas, the United States was obtaining a very large share in China's foreign trade during the forties and fifties of the last century.

But this expansion was soon obstructed by the political confusion and civil wars in both countries. During the course of the American Civil War, the shipping of the United States, the vital element of her foreign trade, declined. The active pioneer merchants gradually withdrew from the Chinese market and transferred their brain and capital into the internal development of their own country. The depreciation of the value of specie in terms of gold discouraged the Chinese trades from purchasing more from America. The new and strong competition of Japan in tea and silk greatly checked the further growth of American imports from China. These causes, combined with the ill-feeling between the Chinese and the American people resulting from the immigration problem, contributed to the tardy growth of the Sino-American trade during the last few decades of the nineteenth century. From 1860 to 1894, the total value of American imports from China increased from thirteen and a half million dollars to only seventeen million dollars, while exports thereto declined from nine million to six million dollars.

The last period is one of severe international competition beginning in 1895 and ending in 1900. The result of the Sino-Japanese War in 1895 drastically changed the political as well as the economic situation in East Asia. The European Powers such as Great Britain, France, Germany, and Russia, were quick enough to take advantage in expanding their political and economic influence in a weak China. Japan also joined in the

competition for the China market. Many Chinese territories were either grabbed or leased by them. The so-called "spheres of influence" were established. The international competition for the Chinese market in this period was so keen that the regular commercial intercourse between the United States and China was greatly threatened. The Washington Government, under the pressure of American merchants in China, could not but give renewed attention to the development of its trade with China.

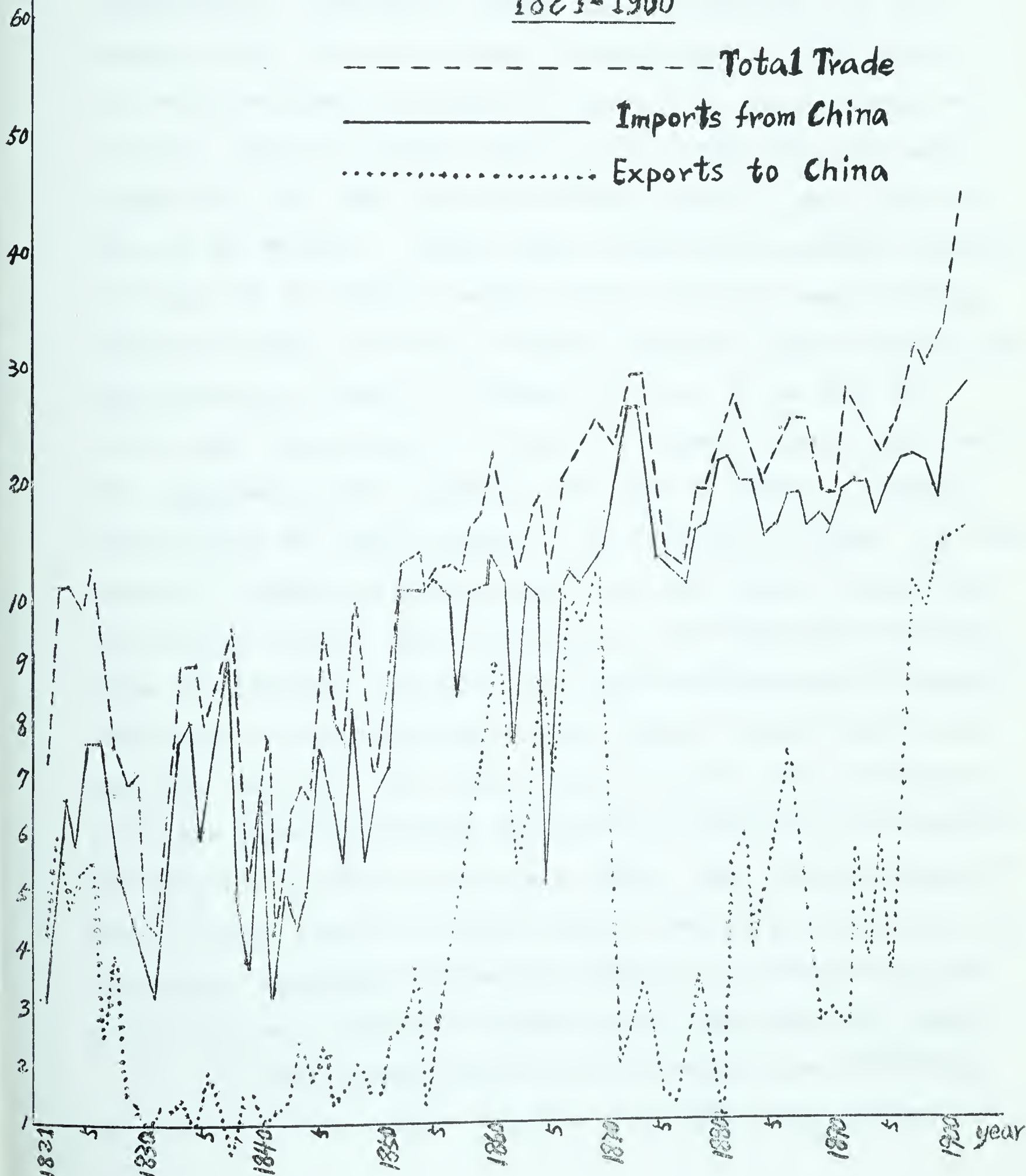
During these five years, the expansion of this trade lagged behind the normal growth of both the total American foreign trade and the whole Chinese international commerce, although the absolute volume of trade between the two countries showed only a small irregular increase. This is because the international competition had not yet had much effect on the course of American-Chinese trade. This did not happen until the early years of the twentieth century.

If all these different stages are investigated carefully as a whole, one sees the American-Chinese trade during the whole period 1784-1900 consistently expanding and prospering year after year. Its trend presents a definite upward movement, rising not only in arithmetical progression, but also in geometrical progression. Within the total period, American imports from China, with only a few exceptional years, had been consistently greater in value than exports. Yet the general tendency is for their difference to become smaller and smaller in proportion to the total trade, because American exports to China had increased on the whole more rapidly than imports therefrom.

million
dollars

Value of American Trade with China
1821-1900

----- Total Trade
—— Imports from China
..... Exports to China



B. POLICIES OF CHINA AND THE UNITED STATES TOWARD EACH OTHER

1. China's Traditional Policy To Foreigners

The conception of an equal international society is fundamentally a product of modern European history. In the Western world, after the Treaty of Westphalia in 1648, even a tiny state enjoyed its status of equality in international relations. China in ancient times, on the other hand, had established the view that the entire world should be under the control of one emperor. Because this conception was deeply rooted in the minds of the Chinese people, their attitude toward foreign relations during the Ming and Ch'ing dynasties was not based upon the principle of equality between states as in the West but rather upon the principle of relations between vassal and suzerain. They regarded all the Westerners who came to China as tribute-bearers from the vassal states to the Celestial Kingdom. In order, however, to maintain the principle that one country avoids discrimination between other countries in its intercourse with them, China had followed a policy of the most-favored-nation treatment long before it was embodied into any written treaty between her and other nations. This policy seems to have been a fundamental principle governing China's diplomatic or commercial intercourse with other (tributary or foreign) states, and, although departed from in minor details at times owing to particular situations or through the ignorance, neglect or venality of officials at the ports, the basic principle seemed to have been generally upheld.

A comprehensive survey of the regulations concerning the control of the tribute missions from the vassal nations, as

given in the collective governmental documents,⁴⁶⁸ will show that equality of treatment was an objective sought. With few exceptions they were generally applied equally to all. The various edicts issued by the Imperial Court and the orders by the local officials in regard to the regulations governing the foreign trade at Canton, and at other ports, were equally applicable to all,⁴⁶⁹ and in general the officials treated the foreigners without undue discrimination. The misrule that did exist was the result of special circumstance or long established customs or the corruption of minor officials along the coast, but in general all foreigners from different countries were treated alike. Privileges or restrictions as well as exactions applied to one nation were also applicable to another.⁴⁷⁰

"Now your kingdom's ambassador had made many requests (that go) beyond the fixed regulations. This greatly violates the dynasty's principle of giving favors to distant peoples and cherishing all foreigners. Moreover the dynasty in controlling all nations treats all with equal benevolence (一視同仁). Now in regard to those who trade at Kwangtung (Canton), you England is not the only country, and if all the others follow your bad example and annoy me with matters which it is impossible to carry out how will it be possible for me to grant that which is requested."⁴⁷¹

⁴⁶⁸ Ta-Ch'ing Hui-Tien (Collected Statutes of the Ch'ing Dynasty), quoted in Fairbank & Teng, pp. 163-177.

⁴⁶⁹ Morse, Chronicles of the East India Company Trading to China (Oxford, 1926-29), III, 127-129, 385-388; IV, 44-49, 293-301; V, 37-44, 94-98.

⁴⁷⁰ Pritchard, Crucial Years of Early Anglo-Chinese Relations, p. 323.

⁴⁷¹ The edict refusing the requests made by Lord Macartney in 1793. Morse, II, 248; Backhouse, E. and Bland, J.O.P., Annals and Memoirs of Court of Peking (London, 1914), p. 326. For original text, please see Liang Ting-nan 梁廷枏, Yüeh Hai Kuan Chih (Gazetteer of the maritime customs of Kwangtung) 粵海關志 (Peiping Reprint: Kuo-Hsueh Wen-Ku 國學文庫 1935), ch. 23, pp. 87-88.

We may further understand China's position from the following example. In 1806, the Russians sent two ships to Canton to open the sea trade. Although they were allowed to exchange goods, order soon came from the Imperial Court at Peking that Russia must be excluded from the sea trade there, on the ground that they already enjoyed the privilege of trade by land; thus, there was no further Russian trade at Canton.⁴⁷²

Because China had already practiced the principle of equal treatment of all foreign countries for centuries, there is no wonder that, having been forced by England to grant additional privileges after the Opium War in 1842, the Chinese should after a little consideration extend them to all nations who had relations with China. This is also the reason why they were somewhat confused by the continued requests of Americans and others that equal privileges be granted to them as to England when so far as China was concerned they already had such equality. China's consistency on this question is also shown by the fact that in 1844 an imperial edict promised that Christians and missionaries no matter what nationality or creed, could share the same privileges given to the Roman Catholics⁴⁷³ and that the treaty between her and Belgium in 1845 granted to the latter all rights shared by other treaty powers. This principle also was included in all treaties concluded between China and the United States as well as other countries.

⁴⁷²By the treaties of Nerchinsk in 1689 and of Kiakhta in 1728, land trade relations was formally established between China and Russia.

⁴⁷³Morse, International Relations, I, 331-332, 615-16; II, 222-223; III, 374. Also see H.J. Buse, "The Policy of the American State Department Toward Missionaries in The Far East," Research Studies of State College of Washington, 5: 179-190 (1937).

Dr. T.F. Tsiang has the following to say about China's traditional policy toward the foreigners:

"The old (Chinese) commercial system, peculiar as it was, had one feature in common with the later system, namely, equal treatment of all the foreign nations trading at Canton. In the sixteenth and the first half of the seventeenth century, China and Portugal together upheld the monopoly of the later. Then the East India Companies of England and Holland could not establish any regular trade at a Chinese port. But after the unification of China under the Manchu dynasty around 1680, the Dutch and the English, the one supporter of Manchu and the other supporter of Koxingka, traded almost alike. The coming of the French, the Danish, the Swede, the Prussian, the Ostend Company, and last the American, all involved no special negotiation, and traded as a matter of course. The Chinese emperors, as they expressed in their decrees, regarded the outer barbarians all as one of humanity. Privileges, exactions, restrictions were shared alike."⁴⁷⁴

2. American Policies in China

July 4, 1776, the date of the Declaration of Independence, represents the birthday of the United States of America. At that time, the political and economic power of the Western world was centered in Europe. All the principal nations were then under the system of autocracy or semi-autocracy. Their ruling classes, except in France, looked with suspicion, disfavor and even fear upon the democratic and republican experiment that had been launched on the American Continent. Meanwhile, the Powers in Europe were enmeshed in age-old rivalries and jealousies. England had been in conflict with France for centuries. Although separated from the Old World by the Atlantic Ocean, the New Republic in its infancy was too weak to oppose any country such as England or France. Understanding the international

⁴⁷⁴T.F. Tsiang, "The Extension of Equal Commercial Privileges To Other Nations Than The British After Treaty of Nanking," Chinese Social and Political Science Review, 15: 423 (October, 1931).

power rivalries of their day, and concerned that the hostilities of many of the European Powers might directly or indirectly engulf the New World into war that could conceivably destroy the newly born Republic, the founding fathers of the United States outlined basic principles that were to guide their people in international affairs. These principles, which had their origins prior to the Declaration of Independence and which were enunciated by George Washington in his Farewell Address and reinforced by such remarkable statesmen as John Adams, Thomas Jefferson, James Madison, James Monroe and John Quincy Adams, had been venerated by succeeding administrative executors as the immutable foundations of American foreign policy throughout the nineteenth century. One of these principles was to enter into alliance with no country; the other was to hold friendly relations and

"Harmony, liberal intercourse with all Nations," which "are recommended by policy, humanity and interest. But even our (American) commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favorers or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of Commerce, but forcing nothing; establishing with Powers so disposed; in order to give to trade a stable course, to define the rights of our Merchants, and to enable the Government to support them;"⁴⁷⁵

a. The Non-interference Policy

Taking its stand on these principles the Government of the United States, from the beginning of the American-Chinese commercial intercourse until the early 1840's, assumed toward its merchants trading in China an indifferent attitude which made not much distinction such as that adopted by the Chinese Government toward its own people dealing with foreigners. This

⁴⁷⁵Washington's Farewell Address in Readings in American History, 3rd ed., ed. J.S. Ezell (Boston, 1964), I, 122.

early go-as-you-like policy may be designated, not inappropriately, by the general term "Laissez-faire,"—"Let them shift for themselves". Such being the case, the American traders in the Canton area thus did what they liked under the old Chinese commercial system, and took a course of conciliation with the result that as a whole they prospered in their trade with the Chinese.

b. Commodore Kearny's Demand

The signing of the Treaty of Nanking between England and China in 1842 soon led to the American Government's belief that a similar treaty with the same privileges was necessary between the Chinese Empire and the United States, if the Americans wished to remain on an equal standing with their competitors in the Chinese market. Under this condition, the mission of Caleb Cushing was sent to deal with commercial treaties.⁴⁷⁶ Before his arrival at Canton, Commodore Kearny, in conformity with American practice and the precedents of the Robert treaty with Siam including the most-favored-nation clause in 1833, addressed on October 8, 1842, a letter to Ch'i-Kung (Kekung), governor-general at Canton, requesting that the American merchants be put on "the same footing as the merchants of the nation most favored." Ch'i-Kung replied in general terms indicating that American interests would be looked after; that he would, as hitherto, treat the merchants of every nation with the same considerations.⁴⁷⁷

c. Cushing's Policy

On July 3, 1844, Caleb Cushing signed with the Chinese Commissioner at Wanghia the first American-Chinese commercial

⁴⁷⁶House Ex. Doc. 35, 27 Cong., 3 sess., pp. 323-325.

⁴⁷⁷Tsiang, pp. 105-106.

treaty, in which the most significant provision was of course the most-favored-nation clause. As a basis for the conduct of commercial intercourse, the American treaty of 1844 was considered by foreigners as greatly superior to the first British treaty with China. The Cushing treaty was so remarkable that it even became the model for later Chinese treaties with other countries. In fact, it became the basis of the international relations of the Chinese Empire until it was superseded by the Treaties of Tientsin in 1858.

d. Treaty Revision

After the signing of the Treaty of 1844, the establishment of formal relationships between the United States and China immediately led to the rapid increase of commercial intercourse between the two countries. The relations between European Powers and China were, however, reaching a critical stage and came to a head in 1853 when the success of the Taiping Rebellion was showing an upward tendency in the flood tide in China. This was a favorable opportunity for the foreign powers to advance their interests and it was utilized by them to its fullest extent. Robert M. McLane was sent to China by the United States in 1854 for the purpose of securing "some important modifications of the Cushing Treaty". His purpose was refused, however, by the Imperial Government on the ground that the English and the French would certainly want the same new concessions, if any were granted to the citizens of the United States.

e. Parker's Land-Acquisition Policy

But 1856 was the year for the revision of the first American treaty, as Article 34 of it stipulated that negotiations for its revision must be implemented at the end of twelve years.

Because of the steady refusal of the Chinese Government to all proposals for treaty revision, Peter Parker was instructed by the American Government to cooperate with the British and French envoys in adoption of a common policy in China. In the long history of the evolution of foreign policies of the United States toward China, this marks the only step of American cooperation with European Powers for the compulsory exploitation of the Chinese Empire. The opposition of the Chinese Government to treaty revision led to its second conflict with the European maritime Powers. Peter Parker, who was afraid that the British and the French were going to grab Chinese territories in the confusing situation, even went so far as to suggest that, if "the French flag will be hoisted in Korea, and the English at Chusan off the coast of Ningpo," the Americans should hoist theirs on Formosa, then a province of China. To his proposal that the United States join with England and France in taking possession of Formosa, Chusan and Korea, Secretary Marcy replied in his instructions to Parker that the President was not convinced that "our (American) relations with China warrant the 'last resort' you speak of; and if they did, the military and naval forces of the United States could be used only by the authority of Congress."⁴⁷⁸

f. The Tientsin Treaty

William B. Reed, who had least experience in foreign affairs, was appointed the first envoy extraordinary and minister plenipotentiary to China. His purpose was to seek only the enlargement of opportunities for trade and to demand the revision

⁴⁷⁸Parker Correspondence, Sen. Ex. Doc. 22, 35 Cong., 2 sess., pp. 610ff.

of the treaty of Wanghia. The Chinese Government, under the military pressure of the Powers, signed with the United States a new treaty on June 18, 1857. In this American treaty the most important provision was a general guarantee of the most-favored-nation treatment on all matters of commerce, navigation, and political or other diplomatic intercourse. A supplementary treaty was concluded in November 1858, by which the regulations and duties applicable to the American-Chinese trade were definitely prescribed.

The effects of the Tientsin Treaties between China and the United States were numerous. After 1858 a new kind of competition for international trade had arisen because the merchants of other nations were backed by their governments with full political and military forces. Germany, Portugal, Denmark, Spain, Holland and Italy had followed the example of the United States, Great Britain, France and Russia in concluding treaties with China during the next ten years. The American merchants in China had to face the result of the intense international rivalry and trade conflict.

g. Burlingame's Cooperative Policy and Perfect-Sovereignty Policy

Anson Burlingame was a statesman of remarkable ability and unerring judgment and he had a profound sympathy with China. He was convinced that to solve the Chinese problem by means of justice and peace was essential to the benefit not only of China, but also of the United States and the whole world. If the European Powers continually practiced their land-plundering policy, the partition of China seemed to be inevitable. The result of such an unfortunate event would lead to a wild conflagration in world politics. To contribute anything toward the

avoidance of such a world calamity was the main motive which inspired Burlingame to serve as the head of a Chinese mission to all treaty Powers.

To persuade the treaty Powers to recognize the sovereign rights of the Chinese Empire, and to treat China upon a strict principle of equality, were the main purposes of Burlingame's mission. That the principles coincided with the foundation of American foreign policy towards China is evidenced by the fact that the mission in the United States was enthusiastically welcomed by the American officials and people; that a supplementary treaty was signed, all articles of which were drawn upon the principle of the perfect sovereignty of China and of treating the Chinese upon terms of equality and of the most-favored-nation treatment.

The achievement of the Burlingame Mission in the United States was the result of the first effort of the American Government to establish the Open Door policy concerning the territorial integrity of China. Although the immediate effects were not great the policy of the United States towards China of later times might well have been due in some measure to the merit of Anson Burlingame.

h. The Treaties After 1868

The treaties signed in Tientsin in 1858 and the supplementary eight articles negotiated in Washington in 1868 between Secretary Seward and Burlingame had generally settled almost all questions of a commercial or diplomatic nature between China and the United States. Throughout the latter part of the nineteenth century, American foreign policy underwent a shift from cooperative action to isolation, due partly to the United States'

disgust at the land-plundering policy of the European Powers, partly to the fact that the attention of the American people had been attracted to their own internal improvement and the immigrant problem. The treaties which had been concluded after 1868 were only to supplement but not to supersede the former ones.

On November 17, 1880, a supplementary commercial treaty between the United States and China was concluded because of "certain points of incompleteness in the existing treaties". Its articles provided a more specific reciprocal pledge in the most-favored-nation treatment concerning tonnage dues, or duties for imports or exports, and the absolute prohibition of opium trade between the two countries, the benefit of the most-favoured-nation clause being made not claimable by nationals of either country as against this provision.

i. John Hay's Re-affirmation of American Traditional Policy in China

The announcement in 1899 of the Open Door principle by John Hay came after the years of a "scramble for concessions" in the Chinese Empire. In the 1880's and 1890's, all European Powers in China played the game of the balance of power which nearly led themselves to the brink of direct military conflict. All of them wanted to obtain a foothold in the Empire, and, they were afraid that their competitors would get ahead of them. They made checks and counterchecks to protect their own interests on the one hand and to secure from China "preferential rights" to beat their enemies on the other. With a view to establishing a firm basis for themselves, each Power excluded every other and exercised a veto power on the capital investment and industrial enterprises within its own "spheres". The Powers not only forced

the Imperial Court at Peking repeatedly to make the so-called "non-alienation declarations", but they also made arrangements between each other to define their "sphere of influence".⁴⁷⁹ However, the more such measures they made, the greater the dangers they were exposed to. Foreseeing what the result of such unlimited keen competition would be, the American Government entered upon the stage of Chinese international politics to declare the "Open Door" in an attempt to eliminate international conflicts and to preserve peace for the whole world.

The Open Door Policy was actually a policy to open the "sphere of influence" that Great Britain, France, Russia and Japan had hitherto held in China and to put all treaty nations on the same basis commercially as well as politically in order to maintain a stable balance of power in China. It was, in fact, not to open China's door, because the wars of 1839, 1858 and 1860 in the Empire had already thrown her door open. Since 1895 more than thirty ports, in the interior or along the coast of China had been open to foreigners for trading. Every state who came to establish relations with China was equally treated by the Chinese as the most-favored-nation. Thus, in the real sense of the term, so far as the Americans were concerned in 1899, it was not the door of the Chinese Empire, but rather those of "spheres of influence" held by the different Powers in China that needed to be opened.

Furthermore, after a comprehensive survey of the whole course of American-Chinese relations before the end of the nineteenth century, we may understand that the announcement of the

⁴⁷⁹MacMurray, I, 110-123, Nos. 1897/2, 1898/1, 1898/6.

Open Door Policy by the American Government was not due solely to the fact that the United States felt a moral obligation to the Chinese Empire or even to the whole civilized world, to clear the impending danger. Aside from other considerations, her own self-interest was the main motive underlying the announcement of this policy. Since the beginning of the direct American-Chinese relations, the United States had no intention of interfering with political affairs in China and had not followed the other Powers' examples in plundering Chinese territory, but she had an intense interest in expanding her commercial intercourse with the Empire. The prospects of American trade in China became increasingly brighter following the series of events - the purchase of Alaska, the acquisition of the Philippines, the annexation of Hawaii and the proposal of the excavation of the Panama Canal - made by the United States in the later part of the nineteenth century. Should the Chinese Empire be colonized by the imperialist Powers, the American merchants would suffer greatly from the loss of their immense trade in the future. This worry was evident in the speech by the United States minister to Siam, John Barrett, at a meeting of the International Commercial Congress in Philadelphia in 1899. In the speech Mr. Barrett pointed out the reason why the American Government should without further delay proclaim the Open Door Policy as the sole means for protecting American interests in China as follows:

"...The tendency of the hour is toward the division of China into spheres of influence of foreign nations, which is only another term for areas of actual supremacy and which will mean the abrogation of the old Tientsin Treaties, which guarantee us absolute freedom of trade throughout China in competition with other nations. Where spheres of influence are admitted and become general, there may be no portion of this great Chinese Empire where we (Americans) will have equal opportunities with others. In each sphere we may

find preferential duties or rates in favor of the products of the particular land and against us, which, applied to all spheres, will practically exclude us from a fair participation in the immeasurable growing demands of a country that holds 300,000,000 people and reaches over an area of 4,000,000 square miles.

"We have everything to lose and nothing to gain by dividing China into spheres. Now the development of the markets depends upon our own efforts in fair competition with all the world. With China divided we must face individual and collective obstacles of all kinds that arise under the new conditions and treaties.

"Were we for a moment to indicate our acquiescence in such spoliation of this great Kingdom, there would follow a scramble and rush for China's rich areas that would astonish the world with its wantonness ... There would be little doubt that the great opportunity that awaits us in China will be seized, appropriated, and improved by other nations, which will in the end make us a second-rate power in the Pacific."⁴⁸⁰

The intention of the United States to make use of the Open Door Policy as a means to preserve her most-favored-nation treatment in China was frankly expressed in this speech. It was mainly due to this underlying motive that the American Government was compelled to act. In the principles of Hay's announcement in 1899, there were three outstanding features which attract our attention. First, the United States recognized the "spheres of influence" that the imperialist Powers had hitherto held in the Chinese Empire, but in no way were the Powers to interfere with the interests vested within their "sphere". Second, it confirmed the sovereignty of China in the collection of the treaty tariff within these "spheres". Third, it did away with economic discriminations which the powers might put on other nations in levying higher harbor dues and railroad fares. Thus, it put all treaty powers on a basis of equality, and definitely coincided with the traditional American commercial interests in the Chinese Empire. In order, however, to put the

⁴⁸⁰Monthly Summary of Commerce and Finance, "Commercial China in 1900", June, 1901, p. 1638.

policy on a firm and workable basis, the guarantee of the independence and territorial integrity of the Chinese Empire was a fundamental prerequisite to be required. When the Boxer Uprising broke out in 1900, Chinese independence was threatened by the rush of foreign troops into Peking. The American Government immediately sent to those Powers another circular in which it made clear the understanding, with regard to the administrative independence and territorial integrity of China, before the United States entered into the settlement of the peace in 1901.

C. CONTRIBUTORS TO THE AMERICAN POLICY IN CHINA

Throughout the nineteenth century, the men who should be said to have made great positive contributions to the American policy in China are the old pioneer American traders, especially the American merchants in Canton who sent the memorials to the Congress in 1839. Secretary Webster's instructions to Caleb Cushing was based on their memorials. Among the American Secretaries of State in the last century most of them adopted an indifferent or negative attitude towards China; only Webster, Seward, and Hay made some contributions to strengthen the relations between the United States and China. Secretary Webster caught the spirit of the American merchants' memorials of 1839 and put it into elegant language, but he did nothing more than that. Among the three secretaries, Secretary Seward's contribution was the most important. Because he realized the importance of the Chinese market to the future American trade, he assumed not only a more positive attitude than Webster toward China, but also reversed all traditional American policy.

Absolutely no new principle had been added to America's China policy since 1869. John Hay's Open Door policy did not add anything. It only reaffirmed the policies from which his predecessors in the 1870's and 1880's had departed. The policy of protecting the Empire from partition by agreements among the treaty nations was not greatly different from the policy of the Burlingame Mission to the United States and European countries. Secretary Seward and Minister Burlingame established collectively the cooperative policy in China in 1868. Cooperation between the United States and other treaty Powers in China has never been carried so far since that time.

Among the American diplomatic representatives in Peking there was no one superior to Anson Burlingame. Some ministers such as Marshall, McLane, Parker, Reed and Ward, etc., even suggested that their government secure privileges from China by measures of force. All of such proposals were declined by the Department of State on the ground that, under the American constitution, Congress is the war-declaring power in the United States and that any military expedition into Chinese territory could not be undertaken without the consent of the national legislative. Moreover, the relations of the United States with China did not justify war.

As the historical documents show, the United States had never imitated other Powers in obtaining their ends by means of physical force. But she had always shared the fruits of the use of arms by European Powers and Japan - inasmuch as the most-favored-nation clause had automatically assured to the United States every privilege obtained by others through force.

D. EPILOGUE

In conclusion, the principle of equal opportunity for all treaty Powers in China constitutes the meaning of the Open Door in its widest sense. Although the affirmation of the Open Door Policy was officially declared by the United States and took effect after John Hay assumed the office of Secretary of State in 1898, the essence of it can be traced back to 1844, even much further. John Hay's Open Door notes at the close of the last century were actually an attempt to re-affirm in a form applicable to that time, the open door principle of the most-favored-nation clause against the closed door principle of "spheres of influence".

The United States had adopted a great variety of policies towards China over the period 1784 to 1900. But whatsoever these different policies may have been there is clearly a thread of uniformity in all of them. That is - from the beginning of diplomatic relations between China and the United States, the American Government throughout the nineteenth century had adopted one policy with regard to her commercial intercourse with the Empire - the policy of most-favored-nation treatment.

The American merchants had realized that the Chinese Empire was and would be the biggest potential market in the whole world. So they asked their government to secure from China and other Powers a fair chance to obtain an equitable share in the Empire's foreign commerce on the basis of fair competition. This is the absolute fundamental principle of the most-favored-nation treatment. But to reach this end the preservation of the

administrative sovereignty and territorial integrity of China must be guaranteed while its door must be kept open to all those who come to trade with her. Therefore, after Cushing inserted the most-favored-nation clause into the treaty of 1844, Burlingame's cooperative policy and perfect-sovereignty policy as well as Hay's Open Door Policy naturally followed. Even Parker's land-acquisition policy did not deviate from this fundamental principle. So when many treaty Powers had one after another plundered concessions from China, the Americans did not of course want their own country to lag behind other nations in this respect. This is the reason why Tyler Dennett in his Americans in Eastern Asia remarked that "the tap-root of American policy had been not philanthropy but the demand for most-favored-nation treatment."⁴⁸¹ Throughout the nineteenth century, all treaties and conventions, as well as agreements between China and the United States or between the United States and other nations with regard to China, had, therefore, been drawn upon the basis - the freedom of equal opportunity for all nations to trade with China, viz., the most-favored-nation treatment.

⁴⁸¹Dennett, p. v.

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